

ISRAEL SINKS ITSELF ■ OBAMA'S GITMO ■ THE FED FUNDS WAR

AUGUST 2010

# The American Conservative

Will the Tea  
Parties Turn  
Antiwar?



# The American Conservative

4040 Fairfax Drive, Suite 140 • Arlington, VA 22203-1613

Dear Reader,

*The American Conservative* needs your help. Like all small political magazines, we operate at a loss. Until recently, our deficit had to be made up by our publisher and associate publisher. Their support has been heroic, but the burden is too great for two individuals to bear alone.

Now, however, *TAC* has received 501(c)(3) nonprofit status, which means donations to support us are henceforth tax-deductible. Our editors and publishers have set up a new mini-think tank, the American Ideas Institute, to keep *TAC* going in the long term.

But there's a problem. We began the transition to nonprofit a year ago, during our last cash crunch, but the process took longer than anyone anticipated. As a result, while we have better long-term financing prospects than ever, we have an immediate shortfall of just under \$100,000. We need to raise that much, or close to it, to remain in print.

The magazine will take a hiatus after this issue as we work over the summer to raise the funds we need. It will be challenging—conventional wisdom has it that summer is the worst time to ask for contributions. But we trust readers to respond to this call even in the midst of vacation season.

If just 100 *TAC* readers give \$1,000, or if only 20 give \$5,000, we can make it. Smaller—and, of course, larger—contributions are also vitally important. Ron Paul demonstrated in 2007 and 2008 what small donors can accomplish. There is no equivalent of Rupert Murdoch among traditional conservatives; but we should not need one.

*The American Conservative* is not going away. Our website, [www.amconmag.com](http://www.amconmag.com), will be updated every weekday during the hiatus and will continue even if we cannot raise the funds to return to print speedily in the fall. But we do not think it will come to that. The money *TAC* needs to remain in print is quite small—a fraction of what neocon publications lose every month.

Does the cause of thoughtful, non-interventionist conservatism have enough support to back *TAC* to the tune of \$100,000, or are neoconservatives and professional politicians the only ones who can raise such a sum? Let's show we can beat them.

You can help in three ways. To donate online, visit [www.amconmag.com/donate](http://www.amconmag.com/donate). Alternatively, you can mail contributions to us at **Support Fund, The American Conservative, 4040 Fairfax Drive, Suite 140, Arlington, VA 22203**. (Make checks payable to "American Ideas Institute," the new nonprofit that now publishes *TAC*.) Finally, if you would like to discuss the magazine and what you can do to support it, call senior editor Daniel McCarthy at 703-875-7600. Remember, all contributions are fully tax-deductible.

Just 100 donations of \$1,000, or 1,000 donations of \$100, will be enough to see us through this emergency. Will you help?

— *The Editors*

# Contents

August 2010 / Vol. 9, No. 8

## COLUMNS

**21 Patrick J. Buchanan:** Bailouts for Bureaucrats

**40 Stuart Reid:** The Troubles I've Seen

**50 Bill Kauffman:** Up Against the Wall

## NEWS & VIEWS

**4 Front Lines:** Obama Declares War on Oil; Buried Treasure in Afghanistan; Making New Friends in the Mideast

**39 Deep Background:** Prince Bandar's Coup; How We Built Israel's Bomb

## ARTICLES

**13 Michael Brendan Dougherty:** New Jersey slasher Chris Christie

**16 Thomas DiLorenzo:** Fiat currency is the fuel of military misadventures.

**18 Chase Madar:** Gitmo hasn't gone away.

**30 Dermot Quinn:** Hilaire Belloc's prophecy

**33 Patrick J. Deneen:** What's the matter with Connecticut?

**35 John Derbyshire:** Teatime with Orwell

**37 E. Wayne Merry:** Overselling China

**41 Eamonn Fingleton:** Turkish lessons

## ARTS & LETTERS

**44 Scott McConnell:** *Running Commentary: The Contentious Magazine That Transformed the Jewish Left Into the Neoconservative Right* by Benjamin Balint

**46 Brendan O'Neill:** *The Rational Optimist: How Prosperity Evolves* by Matt Ridley

**48 Peter Wood:** *In Pursuit of Silence: Listening for Meaning in a World of Noise* by George Prochnik



NEWS.COM

[ COVER ]

## Rand Plan

BY W. JAMES ANTLE III Will the Tea Parties' fiscal prudence extend to foreign policy? **Page 8**

[ MIDEAST ]

## Sinking Ship

BY JOHN J. MEARSHEIMER Tel Aviv's trigger-happy response to the Gaza flotilla is bad for Israel's security—and ours. **Page 10**

[ TRANSIT ]

## The Case for Rail

For half a century, Washington has subsidized road socialism and stranded us all.

**22 WILLIAM S. LIND:** What's so conservative about federal highways?

**23 GLEN BOTTOMS:** Keeping costs under control

**25 CHRISTOPHER B. LEINBERGER:** Private development can fund public infrastructure.

**27 JOHN NORQUIST:** Why cities still matter

**28 JOHN ROBERT SMITH:** Saving downtowns

COVER DESIGN: MARK GRAEF



[EMPEROR]

## BP IS THE NEW WMD

President Obama didn't go so far as to call the BP oil spill an act of terrorism. But he came close. "This is an assault on our shores," he told an audience of military personnel at Pensacola Naval Air Station. "And we're going to fight it with everything we've got." He might as well have been President Bush on the deck of the USS *Abraham Lincoln*—and indeed, his feckless response to the Gulf calamity bears more than a passing resemblance to his predecessor's mismanagement in Iraq.

For Obama's critics, the spill is his Katrina. The president evidently hopes it will serve as his 9/11. "My administration is going to do whatever it takes for as long as it takes," he vowed at the airbase. He raised the stakes in a televised address—this ecological disaster is not just the Long War, it is the Great War, too. To those who might say—not that anyone actually was saying it—that the cleanup is impossible, he retorted, "The same thing was said about our ability to produce enough planes and tanks in World War II. The same thing was said about our ability to harness the science and technology to land a man safely on the moon." When all else fails, you can rely on the military-industrial complex. What can't the best and brightest accomplish?

The president was not just channeling the imperial hubris of presidents from Kennedy to Dubya, however. His talk was redolent with the spirit of William James's 1906 essay "The Moral Equivalent of War," which urged the harnessing of man's martial prowess—his capacity for self-sacrifice and massive organization in the face of conflict—to subdue nature itself. "To coal and iron mines, to freight trains, to fishing fleets in December, to dishwashing, clotheswashing, and windowwashing, to road-building and tunnel-making, to foundries and stoke-holes, and to the frames of sky-



MIKE LESTER WWW.CAGLECARTOONS.COM

scrapers, would our gilded youths be drafted off."

The words segue into Obama's: "Tonight I'd like to lay out for you what our battle plan is going forward. ... Thousands of ships and other vessels are responding in the Gulf, and I've authorized the deployment of over 17,000 National Guard members along the coast. These servicemen and women are ready to help stop the oil from coming ashore, they're ready to help clean the beaches, train response workers, or even help with processing claims..."

From democratizing Iraq to cleaning the Gulf Coast, there is no problem too big for the tools of war to solve.

[EMPIRE]

## FOOL'S GOLD

Afghanistan only seems like a wasteland. Look past the centuries of war, the inability to build an economy beyond poppies and graft, the zeal to remain a medieval museum. It is, in fact, a portal to legendary riches. Just ask the Pentagon. Along with a few buried empires, Afghanistan apparently sits atop \$1 trillion in untapped mineral reserves.

"Senior American government officials" told the *New York Times* that this secret stash could "fundamentally alter the Afghan economy and perhaps the Afghan war itself."

If the timing seems suspicious, that's only because the spring offensive in Marjah fizzled, the summer assault on Kandahar has been postponed, and Hamid Karzai would rather deal with the Taliban than with us. Anyone who thinks the longest war in U.S. history has come to naught just hasn't counted the copper. When the warlords learn that we aren't there to build schools but to go trick-or-treating for cobalt, they'll merrily sign rights over to the American war machine. Won't they?

Sadly, we've heard this story before. Remember those "senior American government officials" who assured us that Iraq's natural resources would finance its destruction and reconstruction into a model democracy—before sticking taxpayers with a trillion-dollar bill? We aren't the first imperial power to set out in search of riches only to return threadbare.

But suppose Afghanistan's miraculous reserves somehow materialize. (How could a "small team of Pentagon officials and American geologists" possibly be wrong?) Far from advancing our nation-building aims, nothing would sooner set the tribes at each other's throats than a trillion-dollar windfall. And the U.S. couldn't be worse positioned to profit.

Better to admit that there isn't any rainbow—much less a pot of gold at its

end. Any gain to be found in Afghanistan will only come from cutting our losses and coming home.

[WORLD]

## MIDEAST TIDE TURNS

Could the *Mavi Marmara* incident trigger a realignment in the Middle East? Hosni Mubarak's government in Egypt—the number 2 recipient of U.S. foreign aid after Israel—has been Tel Aviv's accomplice in enforcing the Gaza embargo. But Mubarak is dying, and by supporting the flotilla, Turkey—also a U.S. ally, and indeed a member of NATO—may be signaling a desire to assume greater leadership in the Middle East. Much more than a blockade is being challenged here; at stake is the regional balance of power.

America's interests do not lie where most pundits suppose, longtime *New York Times* foreign correspondent and Boston University international relations professor Stephen Kinzer contends. He's the author of a provocative new book whose title almost says it all—*Reset: Iran, Turkey, and America's Future*. As he told Democracy Now's Amy Goodman: "alliances and partnerships that are based on just relationships between ruling elites, government-to-government alliances, often tend to be very weak, because those regimes with which we partner are often very unpopular in their own countries. And then, since people don't like their regimes, they see the U.S. friendly with those regimes, then they don't like us, either." Even international pariah Iran enjoys an advantage over old allies Egypt and Saudi Arabia in that regard. And Turkey, which retains credibility in the Arab and Islamic worlds even as it maintains a secular and Western-oriented form of government, may be in a unique position to defuse the regional tensions that Israel threatens to ignite.

Kinzer's arguments about Iran are controversial, to say the least. While Tehran is certainly an ascending force in the Middle East—in demographic and cultural terms even more than military ones—the character of the Islamic Republic's regime may foreclose the prospect of any "reset" in the near future. But the case for treating Israel and Turkey on even terms is compelling. The Israel-Egypt-Saudi nexus in which America has long put its trust is a standing provocation not only to Islamist malcontents but to the entire Arab and Islamic worlds—including much of the populations of Egypt and Saudi Arabia themselves. It's time at least to think about alternatives.

[BELTWAY]

## BITING APPLE

The Senate Commerce, Science, and Transportation Committee recently held a hearing into children's online privacy. It asked Apple and Google to testify, but the companies declined. "When people don't show up when we ask them to ... all it does is increase our interest in what they're doing," chairman John Rockefeller (D-W.V.) warned. "It was a stupid mistake for them not to show up, and I say shame on them."

President Obama promised to rein in lobbyists, but now his party is threatening businesses for not exerting political influence. Apple is one of the few big technology companies without a political action committee, and its spending in Washington is comparatively slight—just \$1.5 million last year.

Rival Microsoft spent \$6.7 million. But it learned its lesson the hard way. Before the feds brought an antitrust case against the software giant in 1998, it had one lobbyist, and its PAC spent \$16,000. Now it has learned how Washington works: you can't have too many lawyers, senators rule by divine right, and if a politician calls for change, he expects you to empty your pockets. ■

# The American Conservative

*Publisher*  
**Ron Unz**

*Editor at Large*  
**Scott McConnell**

*Executive Editor*  
**Kara Hopkins**

*Senior Editor*  
**Daniel McCarthy**

*Literary Editor*  
**Kelly Jane Torrance**

*Contributing Editors*

W. James Antle III, Andrew J. Bacevich, Doug Bandow, Jeremy Beer, James Bovard, Patrick Deneen, Michael Desch, Michael Dougherty, Richard Gamble, Philip Giraldi, David Gordon, Paul Gottfried, Freddy Gray, Leon Hadar, Peter Hitchens, Philip Jenkins, Daniel Larison, Christopher Layne, Chase Madar, Eric Margolis, James Pinkerton, Justin Raimondo, Fred Reed, Stuart Reid, Sheldon Richman, Steve Sailer, John Schwenkler, R.J. Stove, Kelley Vlahos, Thomas E. Woods Jr.

*Art Director*  
**Mark Graef**

*Illustrator*  
**Chris Hiers**

*Associate Publisher*  
**Jon Basil Utley**

*Publishing Consultant*  
**Ronald E. Burr**

*Editorial Assistant*  
**Matt Cockerill**

*Founding Editors*

**Patrick J. Buchanan, Taki Theodoracopulos**

*The American Conservative*, Vol. 9, No. 8, August 2010 (ISSN 1540-966X). Reg. U.S. Pat. & Tm. Off. TAC is published 12 times per year for \$49.97 per year by The American Conservative, LLC, 4040 Fairfax Dr., Suite 140, Arlington, VA, 22203. Periodicals postage paid at Arlington, VA, and additional mailing offices. Printed in the United States of America. POSTMASTER: Send address changes to *The American Conservative*, P.O. Box 9030, Maple Shade, NJ 08052-9030.

Subscription rates: \$49.97 per year (12 issues) in the U.S., \$69.97 in Canada (U.S. funds), and \$89.97 other foreign via airmail. Back issues: \$6.00 (prepaid) per copy in USA, \$7.00 in Canada (U.S. funds).

**For subscription orders, payments, and other subscription inquiries —**

By phone: **800-579-6148**  
(outside the U.S./Canada 856-380-4131)

Via Web: [www.amconmag.com](http://www.amconmag.com)

By mail: *The American Conservative*, P.O. Box 9030, Maple Shade, NJ 08052-9030

Please allow 6-8 weeks for delivery of your first issue.

Inquiries and letters to the editor should be sent to [letters@amconmag.com](mailto:letters@amconmag.com). For advertising sales call Ronald Burr at 703-893-3632. For editorial, call 703-875-7600.

This issue went to press on June 17, 2010.

Copyright 2010 *The American Conservative*.

## RIGHT FUTURE

I have had a difficult time finding a magazine from a conservative perspective that fit my rational, though admittedly millennial, ideology. I've shown it to other people my age and they react much more positively to *The American Conservative* than to neocon rags like *National Review* or *The Weekly Standard*.

If conservatism is to have a future, it will be *The American Conservative* that will pave the way. I strongly suggest that you reach out to younger readers, in their 20s and 30s, because based on my personal experience, there is a lot of room for rational, intellectual conservatism in my demographic. Great magazine!

MEGAN SUMNER

*Via e-mail*

## GRATEFUL VET

I thoroughly enjoyed and was disgusted by what I read about the whole POW travesty Sydney Schanberg outlined ("John McCain and the POW Cover-Up," July 2010). McCain deserves a light pole.

I served in RVN 69-70 with the Marines at Marble Mtn. and am now 62. I'd like to know if this issue will ever see daylight. I won't hold my breath.

Paul Fussell hoped fellows like you would exist when he said, "What someone doesn't want you to publish is journalism, all else is publicity." Thank you, Mr. Schanberg, for your service to our country!

FRED ZERA

*Via e-mail*

## LEFT BEHIND

Counting both military and civilian contractor stints, I spent almost 41 months in Vietnam between 1965 and 1970. I had many Vietnamese friends and deeply resented our abandonment of them and the Montagnards who fought with us and placed their trust in us. I

had to consciously bury that bitterness deep within for fear of what I was capable of doing if I let my feelings rise to the surface. For years I refused to read or see a movie or TV show about Vietnam.

Reading your pieces on the POW issue, I think that if I had known then of our betrayal to our own soldiers, I might have gone over the edge. Now, it just breaks my heart.

RICK JOHNSON

*Via e-mail*

## BROKEN PROMISES

As the wife of Col. David L. Hrdlicka, who was left alive in captivity and in the enemy's hands, I want to thank you for exposing the media for not having the courage to address this fact for years.

The U.S. government sent our men into harm's way with the promise if they were captured, we would do everything in our power to secure their release. Our government defaulted on that promise and then kept it a secret.

I have waited for years for someone to reveal this fact that could have been bigger than Watergate. I appreciate Sydney Schanberg, John LeBoutillier, and the many others that have been fighting for years to expose this shameful behavior of our government. Thank you for your willingness to shine the light on this injustice.

CAROL HRDLICKA

*Via e-mail*

## DON'T TAR MCCAIN

How can *The American Conservative* publish a piece that includes slanderous innuendos such as this: "Is McCain haunted by these memories? Does he suppress POW information because its surfacing would rekindle his feelings of shame? On this subject, all I have are questions."

Does Sydney Schanberg have feelings of shame for writing that paragraph, and

does Ron Unz have feelings of shame for publishing it? On this subject, all I have are questions.

JOHN GRUSKOS

*Via e-mail*

## HAVE YOU FORGOTTEN?

I read the piece "Was Rambo Right?" with some pain. I'm a Vietnam combat vet, and my unit participated in the My Lai incident. We all knew about American POWs imprisoned in "tiger cages" in Vietnam, Laos, and Cambodia.

In addition, my father was in the U.S. Navy in the Mediterranean at the time the USS *Liberty* was deliberately attacked by Israeli forces in 1967, killing more than 30 sailors, and carrier jets coming to their rescue were called back by the Lyndon Johnson White House.

So is it plausible that Americans were abandoned by their government in Southeast Asia? Ask a USS *Liberty* survivor.

TONY SWINDELL

*Howe, Texas*

## GOING BLOND

Kudos to *The American Conservative* for publicizing Phillip Blond's ideas in the United States ("Shattered Society," June 2010). It is a brave stand you are taking. Keep up the good work.

I must also note that Nicholas Capaldi didn't effectively counter any of Blond's arguments in his comment, "Spiritual Capitalism." For those out there working for a living or trying to raise a family, Blond's arguments ring quite true. Capaldi's rantings sound arrogant and blind.

It is interesting that the opposition comes from a pampered intellectual with a high-paying job with tenure and benefits. I have a feeling Capaldi might change his mind if he were forced onto the job market. Maybe if he were taken out of his tenured position and forced to do clerical work at your average American corporation for a few months, he

might have a very different view of Phillip Blond. Maybe if he had to worry about his health insurance vanishing, he would consider things differently.

Conservatives ignore what Blond is saying at their peril. There are plenty of others of the Marxian stripe waiting in the wings to take advantage of the coming catastrophe wrought by Cultural Marxist fools and pirates disguised as capitalists. These maniacs will not be as polite or as civilized as Mr. Blond, nor will they offer truth, only blood and thunder.

DANIEL G. JENNINGS  
*Denver, Colo.*

## ATOMIZED AMERICA

Phillip Blond sees a bipolar nation—Left-Right, Big Government-Big Capital. It is worse. With the lack of grounding in any consistent socio-political philosophy to define normative values, politics becomes emotional and hypocritical, producing individuals who at the same time identify themselves as right-to-lifers yet support immoral wars that incinerate Middle Eastern women and children with cluster bombs and white phosphorus. They protest government meddling in the healthcare system while they demand Social Security, expanded Medicare, and disability. They think the Second Amendment is the entire Bill of Rights and support neocon disregard of the Fourth through Eighth Amendments through wiretaps, torture, and indefinite detention without charges. They see illegal aliens as a threat to the United States' sovereignty, but support a foreign policy that is created in Tel Aviv.

An atomized society with shifting alliances and contradictory goals, living just in the present without direction or ordered freedom, can come to either of two ends—anarchy or totalitarianism.

JOHN DENTE  
*Wilmington, Del.*

## EXPRESSWAY TO SERFDOM

Reid Buckley is right to speak of "Serfing U.S.A." (Feb. 2010). I would stress that the problem is not merely with the Left. Nor is it only with Democrats. The problem is that, in a sense, "we are all socialists now."

Most people do not understand that socialism is control of the means of production of goods and services by the government. So most people do not realize that government schools are socialist schools. Over 80 percent of Americans send their children to them.

Government-run schools sometimes nod toward ideas of liberty, but they are much more likely to condemn free markets and praise the actions of the government. Many students grow up thinking that Upton Sinclair—a writer of fiction!—is the last word on food safety. They believe that FDR saved America from the Depression when his actions actually prolonged it into the Great Depression, not the Depression of 1929. Students believe that the Federal Reserve fights inflation when it has, in fact, been an engine of terrible inflation.

Replacing Obama with another Bush or McCain or some other Republican brand of socialist will not fix today's problems.

TERRY MCINTYRE  
*Via e-mail*

## RHODES SCHOLAR

Both President Obama and Israeli Prime Minister Netanyahu see the righteousness of their cause, but if Bibi takes a look at recent history, he might see that this is a fight he cannot win ("Normalizing Relations," May 2010). One need only look to the experience of Rhodesian Prime Minister Ian Douglas Smith.

I'll take Barry Goldwater's assessment at face value that Smith had every right to issue Rhodesia's Unilateral Declaration of Independence in November 1965, but in doing so, he made himself unlikeable not only to the British leader

at the time, Harold Wilson, but to three subsequent prime ministers—Ted Heath, James Callaghan, and Margaret Thatcher. Between 1965 and 1979, Smith engaged in numerous parleys with officials from Westminster that always fell short of reaching a settlement to the Rhodesian problem.

By the time Margaret Thatcher moved into #10 Downing Street, the world had grown weary of Britain's Central African conflict, and at Lancaster House in 1979, Ian Douglas Smith was forced to give away the store. His beloved Rhodesia transitioned into today's failed state of Zimbabwe.

By holding out for more and more, Netanyahu is endangering his country into, at some point, being forced by outside powers to accept terms with its Arab neighbors far less generous than what can be obtained now. Lancaster House ought to be a place he avoids like the plague.

DAVID L. BLATT  
*Chicago, Ill.*

## BEAM ME UP, JONAH

Perusing *National Review's* "The Corner" blog, one sees that Brian Doherty has hit the nail on the head ("People of the Book," July 2010) in observing of an old and much missed friend: "The conservative godfather who most strongly advocated literary roots for political thought, Russell Kirk, is on a long downhill slide in influence while Sarah Palin rises."

Putting a search engine briefly to work, one finds that the post-Buckley *NR* blog more often discusses James Tiberius Kirk than Russell.

RUSSELL SEITZ  
*Cambridge, Mass.*

---

*The American Conservative* welcomes letters to the editor. Submit by e-mail to [letters@amconmag.com](mailto:letters@amconmag.com), or by mail to 4040 Wilson Blvd., Suite 140, Arlington, VA 22203. Please include your name, address, and phone number. We reserve the right to edit all correspondence for space and clarity.



# Rand Plan

Will the Tea Parties turn antiwar?

By W. James Antle III

HERE'S A THOUGHT EXPERIMENT: imagine a candidate saying that if we want to balance the federal budget, we need to cut warfare as well as welfare. Throw in some talk about the military-industrial complex. Then try to picture that candidate gaining the support of Sarah Palin, James Dobson, and Sen. Jim DeMint's Senate Conservatives Fund—en route to winning a closed Republican primary in a Southern state by a landslide margin. With this impressive victory, the candidate becomes the face of the grassroots conservative activists who make up the Tea Party movement.

No experiment is necessary, actually. This describes Rand Paul, the Republican nominee for U.S. Senate in Kentucky. "[W]e have huge budgetary problems and the Republicans often say, 'Oh it's just that welfare queen, if she'd go back to work we'd balance the budget,'" Paul observed during the campaign. "Well, the truth of the matter is, if you look at the numbers, there's not enough money just in welfare to cut to balance the budget. You have to look at the entire budget, and approximately 40 percent of that budget is military."

In the not too distant past, Republicans might have written off a candidate who talked this way. Doesn't he know we're at war? Let him print those bumper stickers about schools being well funded and the military needing to hold bake sales as he runs in the Democratic primary. Hoping to stoke these sentiments, a who's who of hawks rang-

ing from Dick Cheney to Rudy Giuliani did their best to make Paul seem like the second coming of George McGovern.

Kentucky conservatives stuck by Paul as the neoconservatives gunning for him shot blanks. But since winning the primary, he has started facing friendly fire. Admirers of his father, Texas congressman and 2008 GOP presidential candidate Ron Paul, have criticized the son for being insufficiently antiwar. To reassure Republicans that he wasn't the crypto-pacifist the neocons imagined him to be, the younger Paul was less forceful in making certain arguments and abandoned a few of his father's positions altogether.

But what Rand Paul has done is make the one antiwar argument with potential to resonate with more conventional conservatives: "Part of the reason we are bankrupt as a country is that we are fighting so many foreign wars and have so many military bases around the world." Unlike the Right's past tax revolts, the Tea Party is animated by opposition to the exorbitant level of federal spending and indebtedness. With their rejection of Republican bailouts and "compassionate conservatism," they have turned away from the neoconservatives' social-democratic roots. By applying their frugality to foreign policy, they could make a clean break from neoconservatism.

Although the Tea Party has an identifiable antiwar wing—one poll found that the elder Paul was the group's second-most admired politician, after Sarah

Palin—by and large the Tea Partiers' instinctive patriotism makes them a tough audience for criticism of U.S. intervention. To them, the relevant question is whose side are you on? They know they are on America's.

But there is a limit to their willingness to spend American blood and treasure, especially as the nation teeters at the brink of insolvency. Many of them are tired of paying for the defense of Europeans they regard as fairweather friends and freeloaders, propping up foreign welfare states that serve as the model for everything they oppose at home. Neither do they want their tax dollars spent indefinitely in Middle Eastern countries whose populations don't greet us as liberators and whose governments look more like the *sharia* states we claim to oppose than the democracies we are supposed to be creating.

Focusing on cost also has another benefit: it gives budget hawks a standing in defense debates alongside foreign-policy hawks. In homage to Adam Smith, the mainstream conservative movement practices the division of labor: economic conservatives focus on fiscal policy, social conservatives on moral and cultural issues, national-security conservatives on foreign policy. For the most part, everybody else goes along with the positions the experts in their respective fields take.

The conservative movement's national-security hands overwhelmingly hold neoconservative assumptions rather than realist or noninterventionist



ones. Very few of them opposed the Iraq War, and if they did, they probably wondered why we weren't pursuing regime change in Iran and Syria instead. But there was a great deal of quiet skepticism among fiscal conservatives. Jack Kemp and former House Majority Leader Dick Armey hesitated to join the march to Baghdad. Armey now says he regrets his pro-war vote.

It makes sense that conservatives who spend their time arguing that bureaucrats are incompetent to run the healthcare system in our own country would be dubious of plans to have bureaucrats create democracies abroad. But these conservatives' foreign-policy opinions are seldom solicited and rarely offered. When California Congressmen Dana Rohrabacher and Tom McClintock—speaking to a friendly audience at the Cato Institute and a sympathetic moderator in Grover Norquist—said most of their fellow Republicans knew Iraq had been a mistake, they were referring to their brand of limited-government Republican.

The 1990s were the last time Republicans cared about balanced budgets and talked about shrinking government. Not coincidentally, this was the nadir of neo-conservative influence over the party. Then House Budget Committee Chairman John Kasich pronounced himself a “cheap hawk” who was willing to apply his scalpel to the defense budget. By the end of the decade, Republicans were opposing Bill Clinton's foreign adventurism more vociferously than the Democrats ever opposed George W. Bush's. And even Bush—an avowed critic of the budget-balancing and “Leave Us Alone” fiscal conservatism of the '90s GOP—had to run on a “humble foreign policy” that eschewed nation-building.

The pressure to treat the military like other parts of the budget is going to build as fiscal conservatives try to contend with mounting deficits and massive

unfunded liabilities while avoiding tax increases. For decades, the expansion of entitlements was partly funded by a relative decline in defense spending. In 1970, defense accounted for 42 percent of the budget, while the big entitlements—Social Security, Medicare, and Medicaid—stood at 20 percent. By 2008, those figures were almost exactly reversed, albeit with the wars conveniently pushed off-budget. The welfare-warfare state is now growing in tandem.

As a matter of simple arithmetic, we will not be able to fight the neoconservatives' wars with the supply-siders' tax rates—and a bankrupt country cannot defend itself. That's where Rand Paul comes in. “If I had my druthers and I was in charge of the budget,” he told the Bluegrass Institute for Public Policy Solutions, “the budget might well be 80 percent national defense. But the number would still be much smaller than what we currently spend on the military.”

There are some genuine policy differences between Ron and Rand Paul. The father favors civilian trials for terrorism suspects; in some cases the son does not. Ron would exit Afghanistan and close Guantanamo Bay sooner, Rand later. But Rand Paul's positions on the initial invasions of Afghanistan and Iraq are identical to his father's votes. So are the general principles that inform their foreign-policy views. Their main differences are tactical: the elder Paul directly challenges Republican foreign-policy premises; the younger Paul accepts those assumptions as a given and tries to move Republicans toward a less interventionist position within that framework.

Rand Paul's approach is gaining him the mainstream conservative hearing that eluded his father. RedState.com's Erick Erickson was a supporter during the primary. *National Review's* Jim Geraghty said “the younger Paul sounds like a cautious and wary skeptic, not a forth-

right isolationist.” Even Bill Kristol conceded, “there's a lot of distance between Rand Paul's agenda, which isn't exactly mine, and the caricature of nativism or isolationism.”

To some purists, that is cause for concern. But perhaps what they take to be wobbliness about war with Iran is actually an argument for restraint articulated in a way Bill O'Reilly's viewers can understand. In his time, Robert Taft may have been the most influential voice for noninterventionist conservatism, but he wasn't the most consistent. Today, there are millions of ordinary Americans who will be turned off by academic discourses on blowback but might be persuaded by the argument that Hamid Karzai and Nouri al-Maliki are the new welfare queens.

Once they have entertained these arguments, they may prove receptive to others. Conservatives have long accepted that welfare can hurt the poor, affirmative action can harm minorities, bilingual education can be injurious to immigrants, and economic stimulus can damage the economy. Why is it “blaming America” to point out that a national-security policy makes our country less safe?

For now, it may be most politically savvy simply to count the costs. “One of the enumerated powers is defense,” Paul points out. “So I believe that the defense of our country may be the primary enumerated power. Does that mean I believe in a blank check for the military? No. Does that mean I believe we have to have troops in 130 countries and 750 bases? No.”

The Tea Party movement is a promising place to look for conservatives who want a strong national defense without bankrupting America. Those already on the antiwar Right should want to reach them, not repel them. ■

---

*W. James Antle III is associate editor of The American Spectator.*

# Sinking Ship

The attack on the Gaza relief flotilla jeopardizes Israel itself.

By John J. Mearsheimer

ISRAEL'S BOTCHED RAID against the Gaza-bound humanitarian flotilla on May 31 is the latest sign that Israel is on a disastrous course that it seems incapable of reversing. The attack also highlights the extent to which Israel has become a strategic liability for the United States. This situation is likely to get worse over time, which will cause major problems for Americans who have a deep attachment to the Jewish state.

The bungled assault on the *Mavi Marmara*, the lead ship in the flotilla, shows once again that Israel is addicted to using military force yet unable to do so effectively. One would think that the Israel Defense Forces (IDF) would improve over time from all the practice. Instead, it has become the gang that cannot shoot straight.

The IDF last scored a clear-cut victory in the Six Day War in 1967; the record since then is a litany of unsuccessful campaigns. The War of Attrition (1969-70) was at best a draw, and Israel fell victim to one of the great surprise attacks in military history in the October War of 1973. In 1982, the IDF invaded Lebanon and ended up in a protracted and bloody fight with Hezbollah. Eighteen years later, Israel conceded defeat and pulled out of the Lebanese quagmire. Israel tried to quell the First Intifada by force in the late 1980s, with Defense Minister Yitzhak Rabin telling his troops to break the bones of the Palestinian demonstrators. But that strategy failed and Israel was forced to join the Oslo Peace Process instead, which was another failed endeavor.

The IDF has not become more competent in recent years. By almost all accounts—including the Israeli government's own commission of inquiry—it performed abysmally in the 2006 Lebanon war. The IDF then launched a new campaign against the people of Gaza in December 2008, in part to “restore Israel's deterrence” but also to weaken or topple Hamas. Although the mighty IDF was free to pummel Gaza at will, Hamas survived and Israel was widely condemned for the destruction and killing it wrought on Gaza's civilian population. Indeed, the Goldstone Report, written under UN auspices, accused Israel of war crimes and possible crimes against humanity. Earlier this year, the Mossad murdered a Hamas leader in Dubai, but the assassins were seen on multiple security cameras and were found to have used forged passports from Australia and a handful of European countries. The result was an embarrassing diplomatic row, with Australia, Ireland, and Britain each expelling an Israeli diplomat.

Given this history, it is not surprising that the IDF mishandled the operation against the Gaza flotilla, despite having weeks to plan it. The assault forces that landed on the *Mavi Marmara* were unprepared for serious resistance and responded by shooting nine activists, some at point-blank range. None of the activists had their own guns. The bloody operation was condemned around the world—except in the United States, of course. Even within Israel, the IDF was roundly criticized for this latest failure.

These ill-conceived operations have harmful consequences for Israel. Failures leave adversaries intact and make Israeli leaders worry that their deterrent reputation is being undermined. To rectify that, the IDF is turned loose again, but the result is usually another misadventure, which gives Israel new incentives to do it again, and so on. This spiral logic, coupled with Israel's intoxication with military force, helps explain why the Israeli press routinely carries articles predicting where Israel's next war will be.

Israel's recent debacles have also damaged its international reputation. Respondents to a 2010 worldwide opinion poll done for the BBC said that Israel, Iran, and Pakistan had the most negative influence in the world; even North Korea ranked better. More worrying for Israel is that its once close strategic relationship with Turkey has been badly damaged by the 2008-09 Gaza war and especially by the assault on the *Mavi Marmara*, a Turkish ship filled with Turkish nationals. But surely the most troubling development for Israel is the growing chorus of voices in the United States who say that Israel's behavior is threatening American interests around the world, to include endangering its soldiers. If that sentiment grows, it could seriously harm Israel's relationship with the United States.

## Life as an Apartheid State

The flotilla tragedy highlights another way in which Israel is in deep trouble. Israel's response makes it obvious that its leaders are not interested in allowing

the Palestinians to have a viable state in Gaza and the West Bank, but instead are bent on creating a “Greater Israel” in which the Palestinians are confined to a handful of impoverished enclaves.

Israel insists that its blockade is solely intended to keep weapons out of Gaza. Hardly anyone would criticize Israel if this were true, but it is not. The real aim of the blockade is to punish the people of Gaza for supporting Hamas and resisting Israel’s efforts to maintain Gaza as a giant open-air prison. Of course, there was much evidence that this was the case before the debacle on the *Mavi Marmara*. When the blockade began in 2006, Dov Weisglass, a close aide to Prime Ministers Ariel Sharon and Ehud Olmert, said, “The idea is to put the Palestinians on a diet, but not to make them die of hunger.” And the Gaza onslaught 18 months ago was designed to punish the Gazans, not enforce a weapons embargo. The ships in the flotilla were transporting humanitarian aid, not weapons for Hamas, and Israel’s willingness to use deadly force to prevent a humanitarian aid convoy from reaching Gaza makes it abundantly clear that Israel wants to humiliate and subdue the Palestinians, not live side-by-side with them in separate states.

Collective punishment of the Palestinians in Gaza is unlikely to end anytime soon. Israel’s leaders have shown little interest in lifting the blockade or negotiating sincerely. The sad truth is that Israel has been brutalizing the Palestinians for so long that it is almost impossible to break the habit. It is hardly surprising that Jimmy Carter said last year, “the citizens of Palestine are treated more like animals than human beings.” They are, and they will be for the foreseeable future.

Consequently, there is not going to be a two-state solution. Instead, Gaza and the West Bank will become part of a Greater Israel, which will be an

apartheid state bearing a marked resemblance to white-ruled South Africa. Israelis and their American supporters invariably bristle at this comparison, but that is their future if they create a Greater Israel while denying full political rights to an Arab population that will soon outnumber the Jewish population in the entirety of the land. In fact, two former Israeli prime ministers—Ehud Olmert and Ehud Barak—have made this very point. Olmert went so far as to argue, “as soon as that happens, the state of Israel is finished.”

He’s right, because Israel will not be able to maintain itself as an apartheid state. Like racist South Africa, it will eventually evolve into a democratic binational state whose politics will be dominated by the more numerous Palestinians. But that process will take many years, and during that time, Israel will continue to oppress the Palestinians. Its actions will be seen and condemned by growing numbers of people and more and more governments around the world. Israel is unwittingly destroying its own future as a Jewish state, and doing so with tacit U.S. support.

### America’s Albatross

The combination of Israel’s strategic incompetence and its gradual transformation into an apartheid state creates significant problems for the United States. There is growing recognition in both countries that their interests are diverging; indeed this perspective is even garnering attention inside the American Jewish community. *Jewish Week*, for example, recently published an article entitled “The Gaza Blockade: What Do You Do When U.S. and Israeli Interests Aren’t in Synch?” Leaders in both countries are now saying that Israeli policy toward the Palestinians is undermining U.S. security. Vice President Biden and Gen. David Petraeus, the head of Central Command, both made

this point recently, and the head of the Mossad, Meir Dagan, told the Knesset in June, “Israel is gradually turning from an asset to the United States to a burden.”

It is easy to see why. Because the United States gives Israel so much support and U.S. politicians routinely laud the “special relationship” in the most lavish terms, people around the globe naturally associate the United States with Israel’s actions. Unfortunately, this makes huge numbers of people in the Arab and Islamic world furious with the United States for supporting Israel’s cruel treatment of the Palestinians. That anger in turn helps fuel terrorism against America. Remember that the 9/11 Commission Report, which describes Khalid Sheikh Muhammad as the “principal architect of the 9/11 attacks,” concludes that his “animus toward the United States stemmed not from his experiences there as a student, but rather from his violent disagreement with U.S. foreign policy favoring Israel.” Osama bin Laden’s hostility toward the United States was fuelled in part by this same concern.

Popular anger toward the United States also threatens the rulers of Egypt, Jordan, and Saudi Arabia, key U.S. allies who are frequently seen as America’s lackeys. The collapse of any of these regimes would be a big blow to the U.S. position in the region; however, Washington’s unyielding support for Israel makes these governments weaker, not stronger. More importantly, the rupture in Israel’s relationship with Turkey will surely damage America’s otherwise close relationship with Turkey, a NATO member and a key U.S. ally in Europe and the Middle East.

Finally, there is the danger that Israel might attack Iran’s nuclear facilities, which could have terrible consequences for the United States. The last thing America needs is another war with an Islamic country, especially one that could easily interfere in its ongoing wars



in Afghanistan and Iraq. This is why the Pentagon opposes striking Iran, whether with Israeli or U.S. forces. But Netanyahu might do it anyway if he thinks it would be good for Israel, even if it were bad for the United States.

## Dark Days Ahead for the Lobby

Israel's troubled trajectory is also causing major headaches for its American supporters. First, there is the matter of choosing between Israel and the United States. This is sometimes referred to as the issue of dual loyalty, but that term is a misnomer. Americans are allowed to have dual citizenship—and in effect, dual loyalty—and this is no problem as long as the interests of the other country are in synch with America's interests. For decades, Israel's supporters have striven to shape public discourse in the United States so that most Americans believe the two countries' interests are identical. That situation is changing, however. Not only is there now open talk about clashing interests, but knowledgeable people are openly asking whether Israel's actions are detrimental to U.S. security.

The lobby has been scrambling to discredit this new discourse, either by reasserting the standard argument that Israel's interests are synonymous with America's or by claiming that Israel—to quote a recent statement by Mortimer Zuckerman, a key figure in the lobby—“has been an ally that has paid dividends exceeding its costs.” A more sophisticated approach, which is reflected in an AIPAC-sponsored letter that 337 congresspersons sent to Secretary of State Hillary Clinton in March, acknowledges that there will be differences between the two countries, but argues that “such differences are best resolved quietly, in trust and confidence.” In other words, keep the differences behind closed doors and away from the American public. It is too late, however, to quell

the public debate about whether Israel's actions are damaging U.S. interests. In fact, it is likely to grow louder and more contentious with time.

This changing discourse creates a daunting problem for Israel's supporters, because they will have to side either with Israel or the United States when the two countries' interests clash. Thus far, most of the key individuals and institutions in the lobby have sided with Israel when there was a dispute. For example, President Obama and Prime Minister Netanyahu have had two big public fights over settlements. Both times the lobby sided with Netanyahu and helped him thwart Obama. It seems clear that individuals like Abraham Foxman, who heads the Anti-Defamation League, and organizations like AIPAC are primarily concerned about Israel's interests, not America's.

This situation is very dangerous for the lobby. The real problem is not dual loyalty but choosing between the two loyalties and ultimately putting the interests of Israel ahead of those of America. The lobby's unstinting commitment to defending Israel, which sometimes means shortchanging U.S. interests, is likely to become more apparent to more Americans in the future, and that could lead to a wicked backlash against Israel's supporters as well as Israel.

The lobby faces yet another challenge: defending an apartheid state in the liberal West is not going to be easy. Once it is widely recognized that the two-state solution is dead and Israel has become like white-ruled South Africa—and that day is not far off—support for Israel inside the American Jewish community is likely to diminish significantly. The main reason is that apartheid is a despicable political system that is fundamentally at odds with basic American values as well as core Jewish values. For sure there will be some Jews who will

defend Israel no matter what kind of political system it has. But their numbers will shrink over time, in large part because survey data shows that younger American Jews feel less attachment to Israel than their elders, which makes them less inclined to defend Israel blindly.

The bottom line is that Israel will not be able to maintain itself as an apartheid state over the long term because it will not be able to depend on the American Jewish community to defend such a reprehensible political order.

## Assisted Suicide

Israel is facing a bleak future, yet there is no reason to think that it will change course anytime soon. The political center of gravity in Israel has shifted sharply to the right and there is no sizable pro-peace political party or movement. Moreover, it remains firmly committed to the belief that what cannot be solved by force can be solved with greater force, and many Israelis view the Palestinians with contempt if not hatred. Neither the Palestinians nor any of Israel's immediate neighbors are powerful enough to deter it, and the lobby will remain influential enough over the next decade to protect Israel from meaningful U.S. pressure.

Remarkably, the lobby is helping Israel commit national suicide while also doing serious damage to American security interests. Voices challenging this tragic situation have grown slightly more numerous in recent years, but the majority of political commentators and virtually all U.S. politicians seem blissfully ignorant of where this is headed, or unwilling to risk their careers by speaking out. ■

---

*John J. Mearsheimer is a professor of political science at the University of Chicago and coauthor of The Israel Lobby and U.S. Foreign Policy.*

# New Jersey Slasher

Budget-cutting Chris Christie is conservatives' new favorite governor.

By Michael Brendan Dougherty

NEW JERSEY GOVERNOR Chris Christie wasn't supposed to become a hero for the Right. He wouldn't even accept the label "conservative" during his campaign.

He was a washed-up local pol turned lobbyist but with enough connections to become George W. Bush's top attorney in Jersey. Christie made some headlines going after political corruption; to no one's surprise, prosecutable officials are more common than tollbooths in New Jersey. Then he beat an incumbent governor in a terrible year for incumbents. So what? Christie was an overweight, less heroic, bridge-and-tunnel version of Rudy Giuliani.

But soon videos of his confrontations with teachers, unions, and reporters began making their way onto YouTube, and Christie became a conservative sensation. The most recent has him calling the state's powerful teachers' union a bully, with children and taxpayers as its victims. "You punch them? I punch you," Christie threatens, pointing his finger. Former Bush spokesman Ed Gillespie says Christie's fight to tame the public-sector union "may be the most important public-policy debate in the country right now."

A tough, articulate, budget-cutting governor of a Blue State, Christie is suddenly batting down questions about whether he will run for president in 2012. But between now and a dreamed-of confrontation with Barack Obama, Christie has bloody battles to fight in Trenton with a heavily Democratic legislature and an aggressively liberal Supreme Court.

Christie, 47, was born into what he calls a "loud" home, with an Irish father and a Sicilian mother. The combination draws knowing laughter when he mentions it and is taken as a full explanation for his combative style. Raised in the multi-ethnic Ironbound neighborhood in Newark's East Ward, he was just 5 when the riots tore his city apart and started its long decline.

Except for his time at the University of Delaware, where he was class president, Christie has lived in New Jersey all of his life. He obtained his J.D. at Seton Hall University in 1987. He married Mary Pat Foster, and they lived in a one-room apartment in Summit, New Jersey while he pursued a career in corporate law at Dughi, Hewit & Palatucci and she sought one in investment banking, eventually building her profile at Cantor Fitzgerald.

Success in politics eluded Christie early in his career. He began forging connections and learning the political contours of New Jersey while working with his boss, Bill Palatucci, for George H.W. Bush's unsuccessful 1992 re-election bid. In 1993, he attempted to run for state Senate against then Majority Leader John Dorsey. His campaign failed to get enough signatures, and Christie was tossed from the ballot. The next year, he ran for Morris County freeholder, winning on his promise to end no-bid contracting. But even this victory had a sour aftertaste. His defeated opponent sued him for defamation. Christie had falsely said that his challenger was under investigation, and he settled out of court.

Christie reformed the bid process and banned gifts from contractors to public officeholders—just the sort of good government initiatives Republicans use to distinguish themselves in this Democratic-dominated state. For good measure, he fired an architect building the local jail on a no-bid contract, saving the county \$17 million. Naturally the dismissed architect sued for libel.

But Christie's ambition soon got the best of him. Three months into his term as freeholder, he decided to run for state assembly, and voters handed him a punishing loss. A negative mailer depicted him in diapers. In 1997, he came in last in his re-election bid for freeholder. And in what has become standard procedure in Jersey politics, Christie sued one of the victors, John Murphy, for defamation. Murphy reported later that the settlement proceedings, which were negotiated one-on-one with Christie, were "the beginning of somewhat of a friendship."

Christie returned to private law practice and registered as a lobbyist. Bill Palatucci reports that Christie was an anchor in the office, available to even the newest paralegals and secretaries for advice or a shoulder to cry on. "When he was in the office, morale was high. People wanted to be a part of what he was doing," says Palatucci. "It's the same way now." As a lobbyist, Christie worked for deregulation of the state's energy and gas industries and to get the online University of Phoenix licensed.

He and Palatucci also forged close ties with the Bush family. In 1999,

Christie and eight other top New Jersey Republicans flew to Austin to meet George W. Bush and Karl Rove. Christie continued to visit Texas and signed on as the campaign's lawyer in New Jersey. His fundraising earned him "pioneer" status.

Not long after the election, Christie was appointed U.S. attorney and was confirmed unanimously by the Senate, getting the vote of his eventual gubernatorial opponent Jon Corzine. "That was probably one of the wrong votes I made," Corzine later lamented.

Christie made political corruption his top priority, saying that there was more organized crime on HBO than in the real Jersey. He amassed an impressive collection of scalps, including former Newark mayor Sharpe James (wire fraud, conspiracy) and real estate magnate Charles Kushner (witness tampering, tax evasion). He also finished an ongoing case against Republican Essex County executive James Treffinger (extortion, fraud, conspiracy). His masterpiece came in 2009, when his office served 44 indictments to a network of state assemblymen, mayors, and orthodox rabbis involved in a multimillion dollar money-laundering scheme.

But when he set his sights on the governor's office, Christie's campaign proved less than inspiring. Though he made the appropriate Republican noises about tightening the state budget, Christie was widely considered the moderate candidate in the Republican primary. Steve Lonegan, the former mayor of Bogota who had also served as state director of Americans for Prosperity, was the darling of the free-market activists. Tea Partiers favored Lonegan and after his election began deriding Christie as "Governor RINO" (Republican in Name Only).

In the general, Christie faced the incumbent Corzine, a midwestern banker

turned Goldman Sachs CEO. Though he was elected on the premise that his financial experience was desperately needed in dysfunctional Trenton, Corzine turned out to be a mediocre governor. His attempts to turn management of the New Jersey Turnpike over to private enterprise foundered, along with his pledges to lower New Jersey's exceptionally high property taxes.

By 2009, Corzine was at once too out of touch and too well connected. The electorate wanted fiscal restraint; Corzine was pushing expanded health insurance and early childhood education programs. Garden Staters were already bitter toward Wall Street; Corzine had honeycombed the statehouse with Goldman drones. He spent nearly half his nights in Manhattan—a fact the Christie campaign never failed to highlight.

But Christie did little to reassure conservatives. He followed a conventional Republican tactic in the Garden State: he attacked Corzine for his inability to deliver, while offering little in terms of substantive policy. Corzine's strategy was less noble. He resorted to mocking Christie's corpulence in a notorious commercial about the state attorney "throwing his weight around" Trenton. "The 2010 election was a referendum on the Corzine administration," says longtime New Jersey Republican consultant George Ajjan. "There was frustration during the campaign that [Christie] wasn't being aggressive enough in laying out a plan."

Yet he was not without principles. Christie never wavered in his pro-life convictions, even though Jersey's Republican Party had long thought the sanctity of life was the kiss of death in a statewide race. He also promised to veto any bill that would institute same-sex marriage, saying he favors the civil-unions approach the state has already taken. He pledged not to approve one

revenue raiser—no new taxes, no new fees or raised tolls. "We had 115 of those during the McGreevy-Corzine years. It makes no sense to try another one," says Palatucci.

Christie's unwillingness to compromise was particularly evident in a memorable confrontation with a public school teacher. Rita Wilson, an employee of the Rutherford school district, explained to Christie that if she were paid \$3 an hour for each of the 30 children in her class, she would be earning \$83,000. She added that she made "nowhere near that." Waving her finger at Christie, she said, "You're not compensating me for my education, you're not compensating me for my experience." Christie dared her to quit: "You know what? You don't have to do it." The audience erupted in cheers. It turned out Wilson's base salary was \$86,389, plus benefits.

In that ugly 2009 election, Christie squeezed out a win with 48.5 to Corzine's 44.9 percent of the vote. Independent and potential Christie spoiler Chris Daggett earned less than 6 percent.

Christie decided to pick two difficult fights: taking on the teachers union, New Jersey Education Association (NJEA), and attempting to reshape an activist state Supreme Court.

The NJEA greeted Christie's proposed belt-tightening with \$6 million in attack ads. He was asking for a one-year teacher pay freeze and a contribution of 1.5 percent of their salaries to offset the cost of their health benefits. Teachers hounded Christie at public events, but he didn't hold back, telling them, "Your union said that [this is] the greatest assault on public education in the history of the state. That's why the union has no credibility, stupid statements like that."

Christie's chief weapon is his personality. He plays an Everyman constantly at



the far end of his patience. When discussing the judiciary, the press, or the teachers union, he'll give the Jersey eye roll. "Some people think I'm too blunt..." He pauses, lifting his eyebrows as if to add, "I guess that's a valid perspective." His gestures and facial expressions usually convey more than his words. A brow furrow means: *You follow me?* Jaw clench: *This is what I have to put up with.* Pushing his chin forward: *Just try me.* The words are cold red meat; the delivery makes it sizzle.

He has made ample use of the bully pulpit, pointing out that the NJEA collects \$126 million a year in dues from its teachers. He calls it the "monster on State Street." Like a good prosecutor, he draws logical and moral conclusions when he doesn't have the force of law. He recently pointed out that the government of New Jersey automatically deducts union dues directly from teachers' paychecks and wires them into the union's bank account. "That's the public's money," he says with some truth. "If the union is so committed to children, they can open their books, show us how the money is spent." And he keeps blasting: "That's the fight: who is going to run education in New Jersey? The parents and the people they elect, or the mindless, faceless union leaders?" No one is calling him Governor RINO these days.

"He came out of the box swinging pretty hard," Ajjan says. "A lot of people who were underwhelmed were very quickly put on board." Even Republicans who complained about Christie's lack of electoral coattails in 2009 have rallied to him.

The campaign to tame the NJEA and the counterassault have left both contenders reeling. Christie's approval rating has dropped to 44 percent, and his disapproval rating spiked from 21 percent to 42. He promised to govern as if he only had one term, but administration insiders believe they can turn the

numbers around after the budget fight. "The union attacks seem to be falling on deaf ears," says Palatucci, "the people are giving him the benefit of the doubt because they know these are structural problems he is trying to fix." Besides, Christie has made it clear that he is thinking long term.

"If Christie is going to make a lasting systemic change, we need to go back to constitutional government with three co-equal branches," says Senate Minority Leader Mike Doherty. "For the last three decades, the court has been the dominant force pushing an aggressive agenda."

New Jersey's Supreme Court basically decided that suburban voters would subsidize urban schools that are surrounded by homes with low property values. The court also mandated that every town in the state make room for subsidized housing. The liberal-dominated legislature has responded with grateful silence, happy to have its agenda implemented without putting skin in the game.

Christie is moving aggressively to change the composition of the court. The new governor broke with tradition and refused to name McGreevy-appointed Justice John Wallace to a second term on the bench, making clear he will select four new justices in his first term. In the view of Christie and his Republican allies, the court has usurped not only the power to set social policy but to raise taxes. Putting it back on a leash is the prerequisite to lasting reform.

Taking on public-sector unions and the activist court have earned Christie high marks with conservatives, but what has really sent their minds daydreaming about a presidential run is the way he has handled a hostile press. Asked recently about his "confrontational style" by liberal columnist Tom Moran, Christie fired back, "You know, Tom, you

must be the thinnest skinned guy in America. ... If you think that is a confrontational tone, you should really see me when I'm pissed." Christie explained that he was elected to office to have an argument. "They believe in bigger government, higher taxes, and more spending. I believe in less government, lower taxes, and empowering local officials elected by their citizens." He added with equal parts amusement and contempt, "That may lead to a disagreement or two."

The field of Republican candidates could use Christie. Sarah Palin walked off her job. Mitt Romney is ducking Obama's "thank yous" on healthcare reform. And Bobby Jindal is wading around in oil. By bringing out the fighter in Christie, New Jersey's liberal institutions have brought his latent conservatism to the surface. The stimulus, TARP, and the bailouts have failed to revive the stalled American economy, while adding to the public debt. And Christie is the one GOP governor attempting more than a trim here and a snip there. He is endeavoring to wrest control of taxation and spending from lobbyists and unions and give it back to the people and their representatives. He's also funnier than Mike Huckabee.

"My tone, my combativeness? Listen, everybody plays to their part; this is who I am. Like it or not, you guys are stuck with me for four years," Christie said in May, defying both the media and the polls. "I'm going to answer directly, straightly, bluntly. Nobody in New Jersey is going to have to wonder where I am on the issues." If conservatives judge a man's virtues by the enemies he has collected, Christie is the GOP's most admirable executive. ■

---

*Michael Brendan Dougherty is a former TAC associate editor and a 2009-10 Phillips Journalism Fellow.*

# Inflating War

Central banking and militarism are intimately linked.

By Thomas DiLorenzo

“ONE CAN SAY without exaggeration that inflation is an indispensable means of militarism,” Ludwig von Mises wrote. “Without it, the repercussions of war on welfare become obvious much more quickly and penetratingly; war weariness would set in much earlier.”

This explains why American politicians have always resorted to the legalized counterfeiting of central banking to finance wars, the most expensive of all government programs. If citizens had a clearer picture of the true costs, they would be more inclined to oppose non-defensive intervention and to force all wars to hastier conclusions.

Government can finance war (and everything else) by only three methods: taxes, debt, and the printing of money. Taxes are the most visible and painful, followed by debt finance, which crowds out private borrowing, drives up interest rates, and imposes the double burden of principal and interest. Money creation, on the other hand, makes war seem costless to the average citizen. But of course there is no such thing as a free lunch.

As a general rule, the longer a war lasts, the more centrally planned and government-controlled the entire economy becomes. And it remains so to some degree after the war has ended. War is the health of the state, as Randolph Bourne famously declared, and the growth of the state means a decline in liberty and prosperity.

As Robert Higgs wrote in *Crisis and Leviathan*, among the effects of World War I were “massive government collusion with organized special-interest groups; the de facto nationalization of

the ocean shipping and railroad industries; the increased federal intrusion in labor markets, capital markets, communications, and agriculture; and enduring changes in constitutional doctrines regarding conscription and governmental suppression of free speech.”

Inflationary war finance inevitably leads to calls for price controls, which inflict even greater damage on the private enterprise system by generating shortages of goods and services, which are falsely blamed on capitalism. The state uses this excuse to grant itself even greater central-planning powers. Inflating the currency as a method of war finance is often a first step in the adoption of what is essentially economic fascism.

Paper and printing were invented in China, but American politicians were the first to use government paper money. It was adopted by the colonial government of Massachusetts in 1690. As Murray N. Rothbard wrote, the Massachusetts government was “accustomed to launching plunder expeditions against the prosperous French colony in Quebec.” The loot was typically used to pay mercenary soldiers, but when one of the expeditions failed and the soldiers threatened mutiny, the Massachusetts government printed 7,000 British pounds in paper notes to pay them. The government promised to redeem the paper money in gold or silver, but took 40 years to do so. Meanwhile, the public was so suspicious of the notes that they depreciated by 40 percent in the first year.

By 1740, every colony except for Virginia had followed Massachusetts’ lead in issuing fiat paper money. The results

were dramatic inflation, boom-and-bust cycles, and depreciated currency.

During the Revolution, a form of centralized banking was adopted when the Continental Congress issued “the Continental” in 1775. Because it was not backed by anything of value, the Continental depreciated so severely that it was virtually worthless by 1781. “Not worth a Continental” became a popular slang.

Some of the states attempted to deal with the inflation caused by the massive printing of Continentals with price-control laws. The predictable effect: shortages so severe that George Washington’s army almost starved in a field in Pennsylvania. The situation became so desperate that the Continental Congress issued a resolution on June 4, 1778 urging all the states to abolish their price-control laws: “Whereas it hath been found by experience that limitations upon the prices of commodities are not only ineffectual for the purpose proposed, but likewise productive of very evil consequences—resolved, that it be recommended to the several states to repeal or suspend all laws limiting, regulating or restraining the Price of any Article.” Within three months, “the army was fairly well provided for as a direct result of this change in policy,” write Robert Schuettinger and Eamonn Butler in *Forty Centuries of Wage and Price Controls: How Not to Fight Inflation*.

Despite the economic calamities caused by America’s first foray into centralized control of the money supply, at the end of the Revolutionary War the nation’s first central bank—the Bank of North America—was created, with

defense contractor/congressman Robert Morris implanted as its president. Centralized banking might have been ruinous for the general public, but political insiders like Morris profited handsomely. The bank was given a monopoly license to issue paper currency, and it used most of its newly created money for loans to the central government. In so doing, it inflated its currency so rapidly that within one year the market lost all confidence in the bank and it was privatized.

Alexander Hamilton was the real founding father of central banking, as the Federal Reserve Board declares in one of its publications. His Bank of the United States (BUS), established in 1791 after a momentous debate between Hamilton and Jefferson over its constitutionality, was partly intended to finance “sudden emergencies” like war, in Hamilton’s own words. He rejected Washington and Jefferson’s foreign policy of commercial relations with all nations, entangling alliances with none. Instead, he advocated a permanent military establishment complete with a large navy and standing army that would pursue “imperial glory.” As historian Clinton Rossiter explains, “Hamilton’s overriding purpose was to build the foundations of a new empire.”

Hamilton praised public debt as a “blessing” and complained to George Washington, “We need a government of more energy!” Jefferson, on the other hand, opposed both a large public debt and a national bank, arguing, “the perpetuation of debt, has drenched the earth with blood”—a reference to European monarchs’ endless wars of conquest funded by public debt.

Hamilton’s Bank of the United States ran up 72 percent inflation in its first five years and created such economic instability that its 20-year charter was not renewed by Congress in 1811.

Then came the senseless War of 1812. There was no central bank, but the federal government still devised a way to

monetize the war debt. It encouraged the creation of dozens of private banks, then in 1814 declared a “suspension of specie payment.” That is, banks were not required to redeem their paper currency in gold or silver. Thus, under the direction of the U.S. Congress, banks were allowed to inflate their currencies at will for two-and-a-half years as a means of monetizing the war debt, thereby disguising the costs of the conflict to the public. Inflation during the war years averaged about 35 percent.

This was exacerbated when the BUS was resurrected in January 1817 and empowered to create a national paper currency, purchase public debt, and receive deposits of U.S. Treasury funds. Rothbard explained the politics in his *History of Money and Banking in the United States*:

The Second Bank of the United States was pushed through Congress ... particularly by Secretary of the Treasury Alexander J. Dallas ... a wealthy Philadelphia lawyer [and] close friend, counsel, and financial associate of Philadelphia merchant and banker Stephen Girard, reputedly one of the two wealthiest men in the country. ... Girard was the largest stockholder of the First Bank of the United States, and during the War of 1812 Girard became a very heavy investor in the war debt of the federal government. ... [A]s a way to unload his public debt, Girard began to agitate for a new Bank of the United States.

The Second Bank of the United States “launched a spectacular inflation of money and credit,” writes Rothbard, coupled with a great deal of fraud. It promptly created the “Panic of 1819,” the first real depression in American history. For the first time there was large-scale unemployment in cities such as Philadelphia, where employment in the manufacturing of

handicrafts fell from 9,700 persons in 1815 to only 2,100 in 1819.

After nearly 20 years of inflation, fraud, political corruption, and boom-and-bust cycles caused by the Second Bank of the United States, President Andrew Jackson heroically vetoed the bill to recharter the Bank in 1834, and it went out of business. But the Hamiltonian nationalists did not. They would wage a political crusade for the next two decades as members of the Whig and Republican parties to inflict central banking on the nation once again.

They finally succeeded during the Lincoln administration with the Legal Tender Act of 1862, which empowered the secretary of the Treasury to issue paper “greenbacks” that were not redeemable in gold or silver. The National Currency Acts of 1863 and 1864 created a system of nationally chartered banks that could issue bank notes supplied to them by the new comptroller of the currency. The Acts also placed a 10 percent tax on competing state bank notes to drive them out of business and establish a federal monetary monopoly.

The predictable effect was massive inflation, with the greenback dollars so devalued that within one year they were worth only 35 cents in gold. All of the negative economic effects of inflation—devaluation of private wealth, unfair redistribution of income from creditors to debtors, and hindrance to rational economic calculation—damaged the Northern war effort, but not as much as that of the South. The North funded most of the war with public borrowing; the South funded most of its wartime expenditures by printing Confederate dollars. Consequently, inflation in the Confederacy averaged more than 2,200 percent per year.

The nationalization of the money supply created an engine of inflation—and a powerful lobbying force to advocate that it keep running. Northern manufacturers realized that during periods



of inflation, domestic currency tends to depreciate faster than prices are rising. A falling dollar makes domestic goods cheaper and the price of imports higher. Henceforth, they became a powerful political force in favor of an even further centralization of banking. Meanwhile, the heavily indebted railroads realized that inflation cheapened their debts, so they allied with manufacturers as a permanent lobby for inflation.

These special interests joined the political coalition that created the Federal Reserve Board in 1913, which became an important source of finance for America's disastrous participation in World War I four years later. The Fed did not just print greenbacks, as was the case during the Civil War. It printed enough money to purchase more than \$4 billion in government bonds that were used to finance the war. The amount of money in circulation doubled between 1914 and 1920—as did prices. This was an enormous hidden war tax on the American people: wealth was cut in half, along with real wages, and just about everything consumers purchased became more expensive.

The boom created by the Fed's war financing inevitably caused a bust—the Depression of 1920, the first year of which was even worse than the first year of the Great Depression of the 1930s. Gross domestic product declined by 24 percent from 1920-21, while the number of unemployed Americans more than doubled, from 2.1 million to 4.9 million. The Great Depression of 1920 only lasted one year, however, thanks to President Warren Harding's inspired policy of cutting both government spending and taxes dramatically.

In the wars that have followed, central-bank financing has inflicted essentially the same kind of damage on American society: inflation, economic chaos, reduced real wages, price controls and other government interventions, and ideological attacks on capitalism rather

than the real culprit, the Fed.

Adam Smith recognized the advantage of financing wars with taxes rather than public debt when he wrote, "Wars would in general be more speedily concluded, and less wantonly undertaken. The people feeling, during the continuance of the war, the complete burden of it, would soon grow weary of it, and the government, in order to humor them, would not be under the necessity of carrying it on

longer than it was necessary to do so." Central-bank inflation renders the costs of war even more invisible than debt financing does and is therefore even more disastrous for the American public. ■

---

*Thomas DiLorenzo is professor of economics at Loyola University Maryland and the author of How Capitalism Saved America, The Real Lincoln, Lincoln Unmasked, and Hamilton's Curse.*

## Obama's Gitmo

### Torturing the rule of law

By Chase Madar

PRESIDENT OBAMA may lack the nerve to stare down Liz Cheney or Bibi Netanyahu, but no one can deny that our commander in chief has the guts to take on a child soldier. Come August, a military commission in Guantánamo will try Omar Khadr, a Canadian national captured outside Kabul in 2002, when he was just 15 years old. This will be only the third Gitmo trial and the Obama administration's first, and there won't be anything kinder and gentler about it.

But give our government credit for breaking new ground: no nation has tried a child soldier for war crimes since World War II, and the decision to prosecute Khadr has drawn protests from UNICEF, headed by a former U.S. national security adviser, as well as every major human-rights group. The audacity doesn't stop there: charges against Khadr include "murder in violation of the rules of war," a newly minted war crime novel to the history of armed conflict. Battlefield deaths do not usually result in murder trials for prisoners of war. But according to the Department of Defense, Omar Khadr is no POW. He's

a non-uniformed, "unprivileged belligerent." In the euphemistic lingo of Gitmo, Khadr is not even a prisoner, just a "detainee" who has been awaiting trial for the past eight years.

This kind of court action would have made great copy under Cheney and Bush, noisome proof of their barbarity. Now everyone except the Right's usual panic-merchants is sick of Guantánamo and wishes it had closed, as Obama promised, by the end of 2009. But that deadline has passed, and Gitmo will surely be open next year too. Several reporters told me they had to beg their editors to be sent down to cover the Khadr story.

Anyone expecting to witness eye-popping tableaux of Rumsfeldian cruelty at Gitmo will be disappointed. It's a military base like many others, except instead of the nearby base town with obligatory pawn shop, strip club, and Korean restaurant, you find an impermeable barrier sealing base dwellers and visitors inside. Overall, it's not a bad deployment: soldiers can at least get a beer off duty, the snorkeling's good, and the roads are

free of IEDs. Given the paucity of lurid local color, scribblers who take the military flight—a leased Delta aircraft from Andrews Air Force Base—have been reduced to soliloquizing about Guantánamo's McDonald's and the banality of evil amid the French fries.

Gitmo's population continues to trickle away, to a point. Over 600 prisoners have been let go, and of the 50 habeas petitions for release filed since the *Boumediene* decision in 2008, 36 have been granted. Were these really “the worst of the worst”? Hardly. Still, the Obama administration has announced that it will continue to hold some 45 detainees indefinitely without charges, one of George W. Bush's most radical policies, now zealously defended by a smoother, smarter team of Democratic lawyers. This is exactly the kind of lawlessness that Harold Koh, a human-rights icon, used to condemn from his bully pulpit as dean of Yale Law. Now, as legal adviser to the Department of State, he's tasked with justifying indefinite detention.

Of the roughly 180 remaining prisoners, Omar Khadr is the youngest. The 23-year-old is now in the midst of pretrial suppression hearings to determine whether his confession of throwing a grenade that killed a Special Forces medic is admissible as evidence. Few would deny that Khadr was tortured—one interrogator testified that he first laid eyes on the youth hooded and chained to the walls of his cell, standing with his shackled arms extended at head level. The only questions are how much torture, exactly what kind, for how long, and whether it contaminates the confession that Khadr later retracted. The first round of hearings afforded a clear vantage into the legal black hole that Guantánamo very much remains.

The Obama administration has striven to paper over the abyss with a layer of legality. There are new, improved rules for the military commis-

sions, signed by the secretary of defense the night before the hearings began. Alas, they continue to fall short in core areas of juridical fairness. There is no right to a speedy trial, no pretrial investigation to weed out weak cases, and the defense's requests for witnesses must go through the prosecution. There is no credit for pretrial detention—now nearly a decade for many prisoners—and no right of equal access to witnesses and evidence. Freshly invented war crimes like “material support for terrorism,” retroactively applied, violate the fundamental juridical principle of *nulla poena sine lege*, no crime without a prospective law.

The greatest flaw is structural: the interference of the “Convening Authority”—the politically appointed head of the commissions—into the prosecutions has been documented again and again. Brig. Gen. Thomas Hartmann, former legal adviser to the Convening Authority, was so blatant in his attempts to secure convictions that he was banned from any involvement in three separate trials for his “undue command influence.” One former chief prosecutor at Guantánamo has said that Hartmann pushed hard for the Khadr case because he thought it would be “sexy, the kind of case the public's going to get energized about.” Such micromanaging did not endear Hartmann to his colleagues: former deputy prison camps commander at Guantánamo Brig. Gen. Gregory Zanetti testified in 2008 that Hartmann's conduct was “abusive, bullying and unprofessional ... pretty much across the board.”

One might expect that a legal system thus rigged would greatly appeal to its prosecutors. Until now, one would be wrong. Half a dozen prosecutors have quit the commissions in disgust, most with blistering criticisms on their way out. Col. Morris Davis, former chief prosecutor of the commissions until October

2007, said that constant political pressure made full, fair, and open trials impossible: “What we are doing at Guantánamo is neither military nor justice.”

No less scathing is Lt. Col. Darrel Vandeveld, formerly lead prosecutor in another commissions case against a child soldier—a case that collapsed midway through, with the government dropping all charges. “It would be foolish to expect anything to come out of Guantánamo except decades of failure. There will be no justice there, and Obama has proved to be an almost unmitigated disaster,” he told me. After resigning from the commissions as a matter of ethical principle, Vandeveld was punished with a mandatory psychiatric evaluation and gratuitous hearings into his fitness for remaining in the Army, even though he had only four months remaining in his term of service. Vandeveld, who has deployed to Iraq, Afghanistan, and Bosnia, doubts very much that any more prosecutors will resign after his highly visible reprimand.

The new head of the prosecution team, Capt. John Murphy, told me proudly that morale has never been higher on his team. Half of the four lawyers looked young enough to have started law school long after 2001, and it is hard to imagine young attorneys quitting the commissions without established careers to fall back on.

This may spell the end to a golden chapter in JAG history: throughout the sordid drama of Guantánamo, the few glimmers of governmental integrity have come from the JAG corps' dissent. They even earned that ultimate ethical accolade, the disapproval of John Yoo, who scolded the military lawyers for adhering to the rule of law in defiance of the “unitary executive authority” as embodied by torture buffs such as himself.

For its part, Team Obama's main innovation has been to ban troublesome journalists from the base, a move Bush never

dared. On May 6, toward the end of this round of hearings, the Joint Task Force abruptly barred four of the most knowledgeable reporters from returning to Gitmo, accusing them of violating an order that the identity of Omar Khadr's primary interrogator be kept secret. It doesn't matter that "Interrogator Number One," convicted in a 2005 court martial for prisoner abuse at Bagram prison, had already been interviewed by one of these journalists two years ago and that his identity is available in the public record.

One of the banned journalists, Carol Rosenberg of McClatchy, was hounded last summer by a risible and quickly dismissed sexual harassment complaint made by Navy press officer Jeffrey Gordon. Rosenberg is the acknowledged dean of Gitmo journalists. Getting rid of her would be a singularly effective way for the Department of Defense to gain some control over Gitmo's public image.

And that image remains pretty terrible, even if Camp X-Ray, the open-air cages that held orange jumpsuited detainees for four months in 2002, is now growing weeds. Camp Delta, the detention complex, is rather prosaic. Camp 5, for the least compliant prisoners, is a direct modular copy of a block from the federal prison in Terre Haute, Indiana; Camps 4 and 6, for the most compliant, of Lawanee Prison in Adrian, Michigan. Some detainees are able to take courses in Arabic, English, and art. And so what?

A prison doesn't have to be an unrelenting nightmare to threaten the rule of law. As the ACLU's Ben Wizner puts it, "At this point, Guantánamo isn't a place anymore, it's a principle." A normal-looking prison that just happens to hold people indefinitely without charge is a more insidious threat to the integrity of the legal system than Camp X-Ray ever was. For this reason, the ACLU does not see transporting the system to Thomson Correctional Facility in Illinois as any kind of progress.

Guantánamo, wherever it is located, runs the grave risk of normalization, a process already well underway. Over a few nights during the Khadr hearings, I read in my air-conditioned tent a law-review article by Prof. Adrian Vermeule, an up-and-comer at Harvard Law School. He proposes that legal black holes—the term was coined by a British law lord expressly for Guantánamo—are not only tolerable but necessary. Any attempt to fill them in with law would be "hopelessly utopian," "quixotic" even. "Our Schmittian Administrative Law," published last year in the *Harvard Law Review*, draws heavily on the work of Nazi jurist Carl Schmitt, lifelong opponent of the rule of law and liberal democracy. A chronic figure of fascination among lefty academics for the cold eye he cast on liberalism's sacred myths, Schmitt's ideas had always been held at a prophylactic distance.

No longer. Schmitt's ready-made conceptual lexicon for political emergencies, non-state combatants, and the need for strident executive authority has proven irresistible to ambitious intellectuals in the revolving door between the federal government and the finer law schools. These tweedy immoralists urge us to relax our square-john commitment to the rule of law and embrace strong executive action. Surely the moralizing banalities of rule-of-law theorists are inadequate for the unique challenges of the post-9/11 global order, they tell us.

But after the events of the past decade, one would be on safer ground drawing the opposite conclusion about the rule of law's value. Our government responded to 9/11 with extraordinary measures contemptuous of ordinary legality, and nearly every one of them has been catastrophic. From the conquest of Iraq to waterboarding to warrantless wiretapping to the military commissions of Guantánamo, these policies have been exorbitantly costly in blood,

treasure, and national prestige. Nor is setting up a shambolic court to try a child soldier who was tortured in custody likely to solve anything. Has any part of our frenzied rejection of legal restraints improved national security?

Vermeule is correct to note that these black holes are likely to dilate rather than contract as an imperialist foreign policy strains our legal system, not only with the panic and fervor of war but with juridical conundrums of extraterritoriality, non-state belligerents, and geographically far-fetched definitions of self-defense. Already a new Guantánamo for indefinite detainees has opened up in Bagram, which will be much less accessible to media, nonprofit observers, and defense counsel.

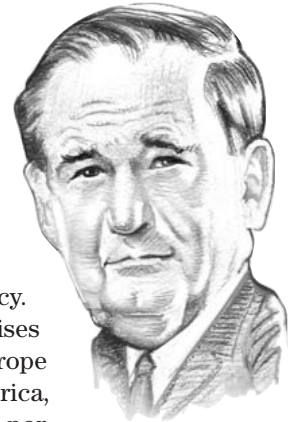
Meanwhile, the rule of law will continue to suffer rough treatment at the hands of our best and brightest. The concept has been debunked by many post-modern academics as so much high-minded bourgeois blather and, more dangerously, derided by the neoconservative Right as a folktale for chuckleheads. But people in countries where violent lawlessness is rife see the rule of law as something more than rhetorical window dressing. From Colombia to Egypt to Italy to Guantánamo's neighboring Cuba, citizens who risk their lives against the depredations of organized crime or authoritarian states routinely invoke the rule of law to give meaning to their acts of resistance. Yes, the rule of law may be an ideal—but it is not only an ideal.

Repairing legal black holes in America may start by shutting down Guantánamo, wherever the detention complex ultimately winds up, and radically rethinking our post-9/11 security policies. Indefinite detention in some nondescript prison with a few art classes doesn't make for splashy headlines, but it marks the beginning of the end of the rule of law. ■

*Chase Madar is a lawyer in New York.*



## Bailouts for Bureaucrats



EVEN LIFELONG DEMOCRATIC pol Steny Hoyer, majority leader of the U.S. House, is balking at Barack Obama's latest bailout proposal. "I think there is spending fatigue," said Hoyer. "It's tough in both houses to get votes."

Hoyer was referring to President Obama's letter to Capitol Hill calling for a \$50 billion bailout of state and city governments to spare our elected politicians the pain of balancing their budgets with their own tax revenues. Obama calls it an "emergency" measure to prevent "massive layoffs of teachers, police and firefighters." Yet none of the 20 million state, county, or municipal workers can lose their jobs unless an elected legislature and a chief executive agree that they should go.

Obama is calling for a taxpayer rescue of the political class to which he belongs to spare it the painful duty tens of thousands of business executives have had to perform. Private employees—25 million of whom are out of work, underemployed, or have given up looking for jobs—may be expendable, but government workers are not.

As America is running a second consecutive deficit of \$1.4 trillion, however, the U.S. government has no tax revenue to send to the cities and states. We would have to borrow the \$50 billion from China, Japan, and the Persian Gulf nations.

Obama is thus asking Congress to deepen America's fiscal crisis and put the next generation on the hook for another \$50 billion so today's mayors and governors can get an exemption from their political duty. Where is the justice here?

Government workers enjoy far greater job security than private-sector workers. At the state and local level, their average pay and benefits, about

\$40 an hour, far exceed the \$27 per hour in the private sector. The federal worker has it even better, receiving \$30,000 a year more in pay and benefits than the average worker in the private sector.

Obama's proposal is thus about taking care of the Democratic Party's political base. Consider: the American Federation of State, County, and Municipal Employees, the American Federation of Teachers, the Transport Workers Union of America, and other government unions in the AFL-CIO are all powerhouses of the Democratic Party. Obama is proposing a \$50 billion payoff for his own voters.

Democrats are the Party of Government. The more government programs and agencies there are, the more government bureaucrats and beneficiaries there are. As government grows—it now consumes close to 40 percent of the entire economy—the larger and more solid the base of the party becomes.

In Washington, D.C., the largest employers, far and away, are the U.S. and D.C. governments. They dominate the city, which is why city elections are so one-sided. The district has the only three electoral votes never to have gone for a GOP presidential nominee.

Richard Nixon in 1972 and Ronald Reagan in 1984, in their 49-state landslides, did not carry 20 percent of the district's popular vote. John McCain got 6.5 percent.

As Democrats are the party of government, Washington, D.C. is the capital of the Democratic Party as well as the nation. When the rest of America suffers a depression and recession, Washington knows prosperity. An economic crisis for the country means job opportunities here.

But there is a more critical reason Congress should reject Obama's "Save-

Government-First!" policy. The fiscal crises gripping Europe and America, which could portend a crisis of Western democracy, were caused by the unbridled growth of government. And it cannot be cured without a rollback of government programs and a downsizing of government workforces on both sides of the Atlantic.

As Greece is staring at unpayable debt because of government's conferring of jobs, benefits, salaries, pensions, and healthcare the tax base could not sustain, California and New York are in the same boat and headed for the same reef. Once the richest and most populous of states, both now face a steady exodus of business and taxpayers. But of the people coming in to enjoy the cornucopia of benefits these states provide, many lack the skills, education, or earning power of those departing. And why should states like Virginia, that said no to many benefits, have to bail out the spenders in Sacramento and Albany who could not say no?

For the U.S. government to bail these states out again, as Obama did with his \$800 billion stimulus, would only be to postpone the inevitable day of reckoning, to deepen the federal fiscal crisis, and to raise the odds further that America herself will one day have to default.

In the recession of 1981, Ronald Reagan, with his across-the-board tax cuts of 25 percent, bet the ranch on the private sector—and won his gamble. Obama, with his \$800 billion stimulus, bet it all on the public sector. It appears not to have worked. Now Obama wants to double down. Congress should give him no more chips. ■

# Rail Against the Machine

What's so conservative about federal highways?

By William S. Lind

CONSERVATIVES DO NOT LIKE public transportation—or so libertarians and Republican officeholders tell us. If that means we must spend hours stuck in congested traffic, so be it. Under no circumstances would conservatives ever ride public transit.

Except that we are riding it, in growing numbers. Studies of passengers on rail-transit systems across the country indicate many conservatives are on board. Chicago's excellent METRA commuter trains offer one example. A recent survey revealed that in the six-county area METRA serves, 11 percent of commuters with incomes of \$75,000 or more commuted by train. In Lake County, the mean earnings of rail commuters were more than \$76,000. (The figure for bus riders was less than \$14,000.) Not surprisingly, the area METRA serves regularly sends Republicans to Congress.

So why are conservatives using the public transportation we are told they oppose? Because being stuck in traffic isn't fun, even if you are driving a BMW. On a commuter train or Light Rail line, you whiz past all those cars going nowhere at 50 or 60 miles per hour—reading, working on your laptop, or relaxing, instead of staring at some other guy's bumper.

Still, libertarians shriek, "Subsidies!"—ignoring the fact that highways only cover 58 percent of their costs from user fees, including the gas tax. To understand how conservatives might approach transportation issues more thoughtfully, we need to differentiate.

All public transit is not created equal. You will find few people with alternatives sitting on buses crawling slowly down city streets. Most bus passengers are "transit dependents"—people who have no other way to get around. But most conservatives have cars; they are "riders from choice," people who will only take transit that offers better conditions than driving. They demand high-quality transit, which usually means rail: commuter trains, subways, Light Rail, and streetcars.

Here we see one of the absurdities of the Republican position on transit. During the recent Bush administration, it was virtually impossible to get federal funding for rail-transit projects; buses were offered instead. But most Republicans' constituents are served by rail transit.

The perception that conservatives do not use public transportation is only one of the mistaken notions that has warped the Right's position on transportation policy. Another is that the dominance of automobiles and highways is a free-market outcome. Nothing could be further from the truth. Were we to drop back 100 years, we would find that Americans were highly mobile. Their mobility was based on a dense, nationwide network of rail transportation: intercity trains, streetcars, and interurbans (the latter two electrically powered). Almost all of these rail systems were privately owned, paid taxes, and were expected to make a profit. But they were wiped out by massive government subsidies

to highways. Today's situation, where "drive or die" is the reality for most Americans, is a product of almost a century of government intervention in the transportation market.

Another misperception is that public transportation does not serve conservative goals. Again, to understand the real situation we must differentiate between buses and trains. Buses do help the transit-dependent get to jobs, but for the most part, it is rail transit that serves conservatives' goals. Subways, Light Rail, and streetcars often bring massive economic development or redevelopment of previously run-down areas. Portland, Oregon built a new streetcar line, a loop of just 2.4 miles, for \$57 million. It quickly brought more than \$2 billion in new development. The small city of Kenosha, Wisconsin put in a streetcar line for just over \$4 million. It immediately brought \$150 million in development, with another \$150 million planned. Not surprisingly, both cities are expanding their streetcar systems. Buses have no such effect on development because a bus line can be here today, gone tomorrow. The investment in track and overhead wires streetcars and Light Rail require tells developers the service will be there for years to come.

Another conservative goal rail transit and intercity passenger trains advance is energy independence. One of America's greatest national-security weaknesses is our dependence on imported oil, most of it coming from

unstable parts of the world. One of the Bush administration's objectives in invading Iraq was to secure a major new source of oil; predictably, we got war but no oil. Electric cars may eventually become practical, but optimists have been disappointed before: Thomas Edison was certain that the necessary breakthrough in battery technology would occur in his lifetime. In the meantime, trains can be electrified, and even when diesel-powered they use fuel far more efficiently than do automobiles.

The list of reasons that the libertarian/Republican policy of opposing public transportation, especially rail, is wrong could run many pages. A more interesting question is what a thoughtful conservative position on transit might be.

Russell Kirk offers a starting point for crafting an answer. He said that the first conservative political virtue is prudence. And there is nothing prudent about leaving most people immobile should events beyond the pale cut off our oil supply, as happened in 1973 and

1979. At present, half of all Americans have no transit service, and of those who do, only half call it "satisfactory." The effects of suddenly stranding half the population are grim to imagine, not least on our already shaky economy. Grimmer still is the prospect of going to war to seize the missing oil. Prudence suggests the first goal of a conservative transportation policy would be to provide options, ways to get around without a car.

Conservatism offers a further guidepost: a predilection to turn to the past

## Tracking Costs

by Glen Bottoms

Rail transit's great enemy isn't public support or political will but its enormous price tag.

The expense of heavy-rail subway systems has limited recent growth to extensions of existing lines. The last heavy-rail construction completed in the U.S. was a 3.2 mile extension of Washington Metro's blue line to Largo Town Center, completed in 2004 at a cost of \$695 million (\$217 million/mile). Phase I of the Metro's 11.6 mile extension to Dulles Airport is estimated at a staggering \$2.65 billion (\$242.1 million/mile). The bite for New York City subway extensions is in another reality.

At first, Light Rail seemed to offer a solution, but its cost is steadily rising. The initial segment of Seattle's 15.6 mile Central Link Light Rail system, which opened in 2009, cost \$2.4 billion (\$154 million/mile). Portland, Oregon's proposed 7.3 mile MAX Light Rail extension to Milwaukie is estimated at \$1.4 billion (\$191.8 million/mile).

Now that streetcars have caught on in many U.S. cities—over 60 are currently planning streetcar projects—many fear that the cost-escalation virus could infect this mode as well. The price tag on Tucson's streetcar project, now under construction, has grown by 20 percent. Costs for proposed streetcar projects across the country range from a reasonable \$10 million to an eye-popping \$60 million per mile.

What accounts for this dramatic escalation? Three key factors: 1) overdesign, 2) lack of technical expertise at the overseeing transit agency, and 3) external factors like political interference and rising material costs.

Consultants retained to design these systems regularly

use plans that they already possess without regard to applicability or functionality, selecting higher-speed overhead wire in rail yards and city streets or specifying certain types of rail without regard for cheaper alternatives. Excessive tunneling is also a critical cost driver. Tucking Light Rail in subways to avoid disturbing traffic not only raises costs, it ignores the fact that dedicating lanes to cost-effective transit increases use. The technical knowledge to recognize these inappropriate designs is a critical element of cost control.

Supervisors often cite rising prices of construction components worldwide as the reason for transit projects' blown budgets. But this is not a major part of the story. Consider the case of Norfolk, Virginia's 7.4 mile Light Rail project, which suffered dramatic overruns as it was being built. One report indicated that 50 percent of the increase could be attributed to "soft" costs caused by poor management decisions, like the arrival of vehicles in a storage yard that hadn't been built yet.

America's rail infrastructure won't be resurrected overnight. But history shows that we can build rail economically and on time. After all, we have been constructing systems of all sizes and complexities in this country for well over a hundred years. Recalling those past experiences today will give us the tools we need to build the trains of tomorrow. ■

*Glen Bottoms is a former longtime Federal Transit Administration employee. He now serves as executive director of the American Conservative Center for Public Transportation.*

for answers to today's problems. My old friend and colleague Paul Weyrich and I discovered that, as children in the 1950s, we shared a favorite television program: "I Remember Mama." Each show opened with a modern woman being baffled by a contemporary problem. Then, reverently, she would say, "I remember Mama ..." and the viewer would be transported to the 1890s, where Mama would demonstrate how an earlier generation had resolved the same difficulty. Conservatives like to remember Mama.

In transportation as in many things, the past was in some ways better than the present. Thanks to the Pullman Company, the night boats, our cities' excellent streetcar systems, and the fast, electric interurbans that connected cities with towns and the countryside, earlier generations weren't merely transported like so many barrels of flour. They traveled. Today, whether driving on the bland Interstate Highways or flying, Americans are just packaged and shipped.

So to Russell Kirk's prudence let us add a conservative motto: what worked then can work now. In practical terms, where do these twin starting points lead conservative transportation policy?

First, we need a National Defense Public Transportation Act. As late as the 1950s, it was still possible to travel from anywhere in America to pretty much anywhere else in the country on a network of buses and trains. But President Eisenhower's National Defense Interstate Highway Act, which has poured \$114 billion into highway construction, killed the privately operated passenger train. We're left with only a shadow of a wraith of its ghost in Amtrak's skeletal national system.

A National Defense Public Transportation Act would seek to recreate that lost network of trains and buses,

bit by bit as we can afford to do so. It would offer every county that choose to participate—conservatives believe in local options—a bus timed to connect its largest town with the nearest intercity passenger train. As time went on, it would thicken the network of trains so that a journey was made more by train and less by bus.

For cities, conservatives' banner should read, "Bring Back the Streetcars!" It is no coincidence that the decline of America's cities accelerated when streetcars were replaced by buses. People like riding streetcars, while few like riding buses. Streetcars are "pedestrian facilitators." It is easy to hop off, shop and have lunch, then get on the streetcar again when feet get tired. Pedestrians are the lifeblood of cities; it is no accident that the first three chapters of Jane Jacobs's great book *The Death and Life of Great American Cities* are about sidewalks.

Buses do have a role to play, mostly as feeders for rail lines. Express buses that run directly from outlying suburbs into city centers can also draw "riders from choice." These buses can be electrified with two overhead wires; unlike diesel buses, trolley buses neither smoke nor stink. San Francisco still has a nice network of them, thanks to all her steep inclines.

With streetcars should come two other revivals from the past: interurbans and night boats. Interurbans were big, fast streetcars—often very fast, running at 60 to 80 miles per hour in the open countryside. Interurbans connected big cities with outlying towns. Ohio alone had more than 2,000 miles of interurbans, all running on electricity. Today, just one remains, the South Shore between South Bend, Indiana and Chicago.

On the Great Lakes and major rivers, we also had night boats, wonderful steamers, often side-wheelers,

that connected cities like Cleveland with Buffalo and Detroit. Like night trains, they offer no-real-time travel. Board in the evening, enjoy a good dinner in the grand salon and a restful sleep in your cabin, and arrive at your destination at the beginning of the next business day.

One point conservatives should insist on in reviving our trains, streetcars, and interurbans is keeping costs down. The greatest threat to a revival of attractive public transportation is not the libertarian transit critics. It is an unnecessary escalation of construction costs, usually driven by consultants who know nothing of rail and traction history, are often in cahoots with the suppliers, and gold-plate everything. Overbuilding is omnipresent; some Light Rail lines (the current term for interurbans) look as if they were designed for the Shinkansen. We are now seeing construction cost figures for streetcar lines of \$40 million per mile and for light rail sometimes of more than \$100 million.

A simple management tool could quickly bring costs into line: "should cost" figures. These are standards based on experience; anything that exceeds them should require very detailed and highly convincing analyses. For streetcars, the "should cost" figure ought to be \$10 million per mile, and for light rail, \$20 million. Lines have been built for that, and less.

In our book, *Moving Minds: Conservatives and Public Transportation*, Paul Weyrich and I offer a chapter titled "Good Urban Transit: A Conservative Model." We illustrate a variety of ways to keep costs down, beyond "should cost": using existing rail infrastructure (the head of one transit system told me, "In my city, they wanted to spend \$1 billion to build an 18-mile Light Rail line parallel to an existing double-track railroad."), running streetcars on existing



Rapid Transit lines to access the suburbs, and perhaps most important, avoiding the foxfire allure of high technology.

All the technology needed to run electric railways, and run them fast, was in place 100 years ago. It was simple, rugged, dependable, and relatively cheap. In the 1930s, many of America's passenger trains, running behind steam locomotives, were faster than they are now. (After World War II, the federal government slapped speed limits on them.) There is no need for Maglev, monorails, or other innovations. All these do is drive up costs,

reduce reliability, and make the unhappy user dependent on proprietary technologies. Simplicity is a virtue when it comes to transportation policy.

That past/future transportation network of course includes automobiles. But Americans would no longer be dependent on cars. Our mobility wouldn't be held hostage by events overseas. Nor would we have to drive to leave the house, regardless of weather, old age, traffic congestion, or the myriad of other conditions that make automobiles less than convenient. We will still use cars to go to the

grocery store; no one wants to lug home ten bags of groceries on a streetcar. But for commuting to work, going downtown to a show or game, or traveling to see Grandma or on business, we would not be harnessed to the horseless carriage. America's motto would no longer be "drive or die." Many people, not just conservatives, might find that an attractive proposition. ■

---

*William S. Lind is the coauthor of Moving Minds: Conservatives and Public Transportation and the director of The American Conservative Center for Public Transportation.*

# Engine of Prosperity

How private development can fund public infrastructure

By Christopher B. Leinberger

REAL ESTATE HAS CAUSED two of the last three recessions. That is because real estate and the infrastructure that supports it—transportation, sewer, broadband, etc.—represent 35 percent of the asset base of the economy. When real estate crashes, the economy goes into a tailspin.

To speed up the recovery now slowly underway, the real estate sector must get back into the game. If over a third of our asset base is not engaged, the U.S. will be condemned to high unemployment and sluggish growth.

But the real estate recovery will not just be a continuation of the type of development of the past two generations—low density, drivable development. The Great Recession highlighted that there has been a structural shift in what the market wants. The bulk of the collapse in the housing market has been

on the metropolitan fringe, exactly where the focus of drivable suburban housing growth has been. Fringe housing in most metro areas has lost twice the value the metro area as a whole has shed from the mid-decade peak. But the value of the opposite type of housing, known as "walkable urban," where most daily needs can be met by walking or public transit, only experienced about half the decline from the housing peak.

In fact, some metro areas have seen the highest housing values per square foot shift from drivable suburban neighborhoods in 2000, like Great Falls in the Washington suburbs or Highland Ranch south of Denver, to walkable urban neighborhoods, like Dupont Circle in Washington or LODO in downtown Denver, in 2010. The lines crossed in the decade. The last time the lines crossed was in the 1960s, and they

were heading the opposite direction.

But housing may not play the same catalytic role during this recovery unless fundamental changes in transportation policy are adopted.

Most observers recognize that drivable suburban infrastructure has been massively subsidized. Some studies show that a drivable suburban home would have to pay 22 times what it currently pays for publicly and government-regulated private infrastructure. Suppose a city government, in its infinite wisdom, mandated that all restaurants must charge the same price for whatever customers ate or drank. That would mean patrons on a diet who do not drink alcohol would be massively subsidizing people who are stuffing themselves and getting drunk. This is not a free market at work.

This subsidized system has resulted

in an oversupply of the wrong kind of house in the wrong location for what the market now wants. Federal, state, and local governments subsidize this type of product by building roads to nowhere while existing roads are left to deteriorate. The American Association of Civil Engineers recently gave American roads a near failing D-grade. Meanwhile, the Federal Highway Trust Fund is bankrupt, getting continuous federal cash infusions to subsidize the system.

The market wants the walkable urban alternative, which explains the 40-200 percent per-square-foot price premiums this type of housing commands and the hue and cry (or shouts of joy) about gentrification in urban neighborhoods. What is missing is an adjustment to this new market reality by investing in infrastructure, particularly transportation infrastructure, which will spark the type of housing and development the market wants.

Why transportation infrastructure? Because transportation drives development. For the 6,000 years that we have been building cities, the transportation system a society chose dictated what real estate developers could build. Starting in Sumer (present-day Iraq) through Pompeii, from Pepys's London to Franklin's Philadelphia, and from Henry Ford's Detroit to the Beach Boys' Los Angeles, the transportation system is the rudder that steers the investment of a large portion of a society's wealth.

So how do we pay for the transit, especially rail transit, that will allow developers to give the market what it wants: walkable urban development? The answer can be found in the past. In the early 20th century, every American town over 5,000 people was served by a streetcar system—this at a time when the real per capita household income was one-third what it is today. By 1945, metropolitan Los Angeles had the longest passenger rail system in the

world. Atlanta's rail system was accessible to nearly all residents. Until 1950, our grandparents did not need cars to get around because they could rely upon various forms of rail transit. The average household only spent 5 percent of its income on transportation 100 years ago, versus 24 percent for drivable households today.

How did the country afford that extensive rail system? Real estate developers, sometimes aided by electric utili-

---

**“For the 6,000 years that we have been building cities, the transportation system a society chose dictated what real estate developers could build.”**

---

ties, not only built the systems but paid rent to cities for right of way. Henry Huntington built the Pacific Electric in Los Angeles; Robert Lowry in Minneapolis built the Twin City Rapid Transit; and Sen. Francis Newlands in Washington built the Rock Creek Railway going up Connecticut Avenue from Dupont Circle in the 1890s. Newlands did not get into the rail transit business because of the profit potential of streetcars. He was a real estate developer, buying 1,700 acres between Dupont Circle and suburban Chevy Chase, Maryland, served by his streetcar line. The Rock Creek Railway did not make any money, but it was essential to getting homebuyers to Newlands's developments. So he subsidized the railway out of the profits. Most other streetcar/development entrepreneurs did the same thing. They understood that transportation drives development

and that development had to subsidize the transportation.

After World War II, the wealth of the country was so vast that the federal government, along with the states, disconnected transportation and development. We decided that “your tax dollars at work,” as every highway construction sign would proclaim, did not require a financial payback. One Polish refugee turned real estate developer, Nathan Shapell, who owned a large tract of land outside Los Angeles, was approached in the 1960s by the California highway department about building a freeway through his property. His first reaction was to offer for free as much land as needed for the road and to pay for the interchange to get customers to his land. The state official said that would not be necessary; the state would buy his land for the road and completely pay for the interchange. His reaction was, “What a wonderful country!”

But now, our transportation funding system is clearly broke. As transportation specialist Rob Puentes, senior fellow at the Brookings Institution, has said, “We’ve run out of money. It’s time to start thinking.”

It is time to go back to the future and redirect some of the property appreciation caused by rail transit to fund its expansion. This approach, called “value capture,” is best known in this country by its public version, tax-increment financing, which uses increased future tax revenues expected from an investment in public infrastructure to pay off the debt incurred to build it. It has been used extensively in Chicago by Mayor Daley to fund that city's remarkable turnaround.

At present, only a fraction of the value added to private property by public transportation is tapped to support infrastructure. Property taxes are around 1 percent per year in many parts of the country, so only 1 percent

of the upside can be captured. Yet the increase in private property values could yield much more, and there are many of methods by which support for transportation can be linked to rising land values. Property owners along a proposed rail corridor could vote in a special election, for example, to decide whether they want to fund the project.

In a Brookings Institution analysis of a proposed \$140 million streetcar line, just 17 percent of the increase in private property values would pay the effort's entire capital costs. This is what Senator Newlands found out over a century ago: development can help pay for transportation improvements. Using value capture to pay for rail transit and highways is charging those who benefit the most from these public investments, the property owners, for at least some of the cost of transportation improvements.

There is no reason all transportation project costs, not just those for rail,

should not be paid for in part by the property owners who profit from the improvement. If property owners would benefit from any transportation project, rail or road, and they are willing to help pay for it, that is the market speaking and we should listen—and benefit by their financial contribution. Levy exemptions could be made for existing communities that are too poor to pay if the project's main purpose is to provide existing residents transit to work, though even road or rail projects to parts of a metropolitan area that are underserved may spark economic growth that could then be used as value-capture revenue.

A few metro areas are experimenting with how these value-capture mechanisms would be structured. A developer, along with his adjacent property owners, funded a third of a new \$100 million Metrorail station in Washington, D.C. that serves their projects. He felt he got a 10-20 times return

on his investment by bringing rail transit to his front door. And it is important to note that this is only partially about the redevelopment of American cities. My research shows the majority of the market demand will probably be satisfied by transforming suburbs into walkable urban places.

Investment in rail transit is essential if we want to get the 35 percent of the economy in real estate growing more substantially. No economic recovery will be sustainable without the growth of the largest asset class in the economy. And looking to the past to understand how to pay for that rail transit is not only good policy, it is one of the only options we have left. ■

---

*Christopher B. Leinberger is visiting fellow at the Brookings Institution, a real estate developer, author, and professor at the University of Michigan. His most recent book is The Option of Urbanism.*

# Urban Outfitters

Why should the Right give up on cities?

**By John Norquist**

WHY ARE SO MANY on the Right hostile to rail transit? When I was mayor of Milwaukee from 1988 to 2004, I wanted to restore some of the streetcar system that had been removed back in the fifties. Republicans, fueled by talk-radio personalities, attacked the idea as if I'd proposed Sovietizing the bratwurst industry. This attitude plays out across the United States, in any state that has a city big enough to have or desire a transit system.

Conservatives in Europe, Canada, and Japan aren't so resistant. In Switzerland, arguably Europe's most politically conservative nation, streetcars and commuter trains run almost everywhere people live. Is the reaction so different here because American conservatives oppose all government spending? No, the Republican Party, home to most conservatives in Congress, has supported comparatively large increases in spending when it has held power, most

recently under George W. Bush. But enthusiasm for spending on the Right seems to focus on war, highways, and prisons. Prisons and war I understand, as the modern Republican Party openly promotes itself as uniquely patriotic and aggressively devoted to law and order. But why support spending lots of tax money on highways?

The reasons are highly situational. Republican support tends to be strongest in middle- and outer-ring

suburbs developed in the second half of the 20th century when transportation and zoning standards yielded cul-de-sac subdivisions, malls, and business parks, all requiring cars to navigate. The Republican base spends a lot of time in automobiles, so their representatives feed them more and wider lanes of concrete. There are always other issues on which to take principled anti-spending stands, even as highway expansion projects soar in cost and leave regions just as congested as before.

Highway contractors are also an easy touch for campaign donations. As with military contractors, nearly all of their revenue is derived from government funds. As described by Robert Caro in *The Path to Power*, Lyndon Johnson learned this early in his political career, raising funds from Texas-based Brown and Root to help elect Democrats. It didn't take Republicans long to line up at the same counter. For the road-building industry, trading relatively small amounts of campaign cash

for billions in government contracts is an easy decision.

But this politically motivated interference has negative side effects. In Canada, where there is no national highway or transit program, cities and provinces fund their own mix of roads and transit. And all Canadian large cities have good transit and street networks. Conversely, in the U.S., declining core cities like Detroit and Buffalo have been covered with federally subsidized highways. Rather than profiting

## Bringing Back Downtown

by John Robert Smith

Last year, I left my hometown of Meridian, Mississippi and the house that my grandfather built to come to Washington, D.C. to work on the next federal transportation bill. Why? Because I believe the transportation investment decisions Congress makes today will determine our grandchildren's quality of life.

I am a lifelong advocate for passenger rail and a strong believer in people deserving choice in where they live and work and how they get there. But my 4-year-old grandson was the driving factor in this decision to move. He is the fifth generation of my family to live in that house. He is growing up in a town rich with history and tradition and a superb quality of life. But what will he see when he opens the front door in 15 years? Will the streets of America's small towns be choked with traffic and the sky tinged yellow with pollution? Worse, will the towns be abandoned because of lack of opportunity? Will he have just returned from serving his country protecting the oil reserves we desperately need to sustain a viable economy? Or will he step out the door and catch a streetcar that will take him to the train station that his grandfather built, where he will board Amtrak's higher-speed Crescent for a trip to the international airport in New Orleans for a journey overseas?

In smaller towns and rural areas across the U.S., reliable intercity rail systems provide an essential connection to the rest of America. For these towns, traffic congestion isn't the problem, the challenge is access to the mainstream American economy, as well as long commutes, volatile energy prices, and shifting demographics. People may not like to drive long distances for their jobs, health-

care, or education, but they often have no other choice.

I was mayor when we opened Meridian's Union Station 12 years ago to link interstate rail, bus, and city transit in a way that created a sense of place when visitors arrived in our downtown. The city invested \$1.3 million in that train station, leveraging an additional \$5.3 million investment, and then that station project leveraged another \$135 million in public and private investment in the downtown core, leading to the restoration of our historic downtown. Today, the train station annually hosts about 250 events and 300,000 visitors. Nearby is a new performing arts center, a restored Grand Opera house, a neighborhood with new retail and restaurants, and a mixed-income residential area, all of which have contributed to the revival of downtown Meridian.

The success of the train station and the downtown renaissance has made me a believer in the power of linking transportation to community revitalization. These transit-oriented development projects breathe new life into communities and they generate lasting public and private returns. They provide connectivity and livability, which is essentially quality of life—something everyone wants regardless of where they live, what they earn, or who they vote for.

Transportation touches every aspect of life in cities and towns of all sizes. People must have options. That is why I came to Washington. ■

*John Robert Smith is president and CEO of Reconnecting America and the former Republican mayor of Meridian, Mississippi.*



from the investment, Detroit is sinking and the greater region ranks as a leader in traffic congestion along with Atlanta, Houston, Los Angeles, and other areas with massive highway systems. Results like that shouldn't please a movement that insists on efficient use of government funds.

One oft-repeated critique of conservatives is that they are stuck in the past. When contemplating transportation policy, I wish that were true. After all, it was my fellow Democrats, with some unenthusiastic help from President Dwight Eisenhower, who performed the *coup de grace*, driving a dagger into the faltering private, but still tax-paying, passenger rail and streetcar transit industries. In 1956, the Interstate Highway Act, sponsored by Sen. Albert Gore Sr., passed through a Democratic Congress. Senate Majority Leader Lyndon Johnson played a key role, pushing escalating subsidies for federal highways from a 40/60 fed/state match when he arrived in Washington to 90/10 in the interstate bill. Federal capital for trains and rail transit was zero. Railroads got the message and dumped passenger service; private transit companies shut down.

Meanwhile, the Right has become dysfunctionally attached to a transportation system that violates its principles. Highways appropriate private property. In greater Milwaukee, systemwide highway widening is on track to cost taxpayers nearly \$7 billion, while resulting in the seizing and demolition of nearly \$200 million worth of private property. Even where construction doesn't always require outright confiscation, wider highways drain the value from neighboring private property and have corrosive effects on compact central cities.

Before the recent push by the state to expand highways in Milwaukee, we took the opportunity to remove an aging elevated freeway that was causing

blocks and blocks of blight along river-front land. Occupying property next to the freeway was like living next to the Berlin Wall. Removing the freeway has helped downtown grow as young people and retirees choose the convenience and excitement of urban living. Where before the freeway repelled high-

---

**“Transportation infrastructure supported a fully functioning *civitas*—something the Right should care to conserve.”**

---

value, jobs-producing uses, a new boulevard is home to a boutique hotel and serves as the gateway to the new headquarters of Fortune 500 Manpower Inc.

Throughout much of the history of human civilization, transportation infrastructure supported a fully functioning *civitas*—something the Right should care to conserve. Streets served three purposes: movement of goods and people, economic or market functions, and social functions. But for decades, federal policy has mandated that only movement be considered in allocating federal tax dollars. Streets that serve as a setting for people to walk, shop, and engage in civic life are not part of the Department of Transportation playbook. Instead, the federal and state DOTs push big grade-separated roads that focus only on vehicle throughput and not on markets that flourish on streets like Michigan Avenue in Chicago, Broadway in New York City, or Main Street in Hometown, America. The avenues and boulevards of our nation have not been a priority for federal funding even though they host much of America's social capital

and commerce.

Like urban boulevards, transit systems tend to fit comfortably in urbanized metropolitan areas. Thriving in tight spaces, transit systems involve far less seizing of property, and they attract development, boosting the value of neighboring property. Unlike highways, they generally function better as they attract more users. It's no surprise that cities with good transit have high concentrations of jobs and real estate value while places dominated by highways and without transit have faltered economically. Forcing road expansion on cities that don't want it while blocking investment in value-adding transit improvements seems imprudent and even punitive.

Throughout history, cities—created by market forces and the complex interactions of the people drawn to them—have been a setting for the growth of individual liberties, property rights chief among them. The city-states of Renaissance Italy and the North European Hanseatic League flourished as trade and private ownership expanded and declined only when large nation-states taxed them to wage wars. Today, conservatives still claim to value personal freedom and cherish markets, but they are alienated from the cities that nourish both. Instead, they are committed to a central state more interested in crusading abroad than building community at home.

The billions we devote to war would be better spent renewing America's own cities. Not blindly paving to satisfy federal mandates but prudently planning and efficiently constructing infrastructure to serve local needs. What could be more conservative than that? ■

---

*John Norquist, who served as Democratic mayor of Milwaukee from 1988 to 2004, is president of the Congress for the New Urbanism.*

# Wards of the State

Hilaire Belloc saw Obama coming.

By Dermot Quinn

THE BEST BOOK on Obama's America has already been written. The president has two more years in office, six if he's lucky, but already we know enough about the contours of his mind, his governing instincts, to predict that the volume in question will not be bettered. This is a large claim for a book that never once mentions Obama or America or the gushing wells of oil and words that seem to be, so far, his chief gift to us.

Written in 1912 by Hilaire Belloc, an Anglo-Frenchman whose true home was the Middle Ages, *The Servile State* is an unlikely *vade mecum* for 21st-century Washington. Yet men with French names have a way of understanding the inner life of this country. *The Servile State* is not quite *Democracy in America*—for one thing, it is less than 200 pages long—but it has the prophetic power and moral imagination, the sustained intelligence and insight of that earlier volume. Like *Democracy in America*, it harbors a healthy skepticism of the political class, deplores the corrosive effects of money, recognizes the value of restraint and self-control. Above all, both volumes lament the seemingly inexorable growth of the state.

"Christianity made charity a personal virtue," Tocqueville wrote. "Every day we are making a social duty, a political obligation, a public virtue out of it. ... The growing number of those who must be supported, the variety of needs which we are growing accustomed to provide for ... now makes every eye turn to the state." Belloc, decades later, saw the

prophecy come true. Now, a century on, Obama embraces it as a governing philosophy.

Belloc, like Tocqueville, knew America firsthand. In 1890, he walked halfway across the country to court his Californian wife, singing as he went. Like Tocqueville, he wrote trenchantly. Like Tocqueville, he knew that the old order was passing away, a fact that each man, in his different way, regretted. The difference is that whereas one of them dealt explicitly with America, the other brilliantly anticipated it. Belloc does not mention America at all, even if, looking closely, we may see its shape and outline, its long shadow in the years ahead. His subject, rather, is Britain in the dawning age of welfare when the problem of poverty was acute, when working-class radicalism was real, when mass democracy was an experiment whose success was not yet clear. No one knew at the end of the Victorian era if Britain's industrial wealth, achieved at obvious social cost, would mean political fracture or revolt. For a while, the pessimists were in the ascendant.

Belloc's key insight was that Britain's ruling elites would buy political tranquility at the cost of personal liberty. "Future ... industrial society," he wrote, will guarantee "subsistence and security ... for the proletariat ... at the expense of ... political freedom." Britons faced a future in which there would be "the fixing of wages by statute," "the imposition of a minimum wage during employment," the use of compulsory arbitration during industrial disputes ("a bludgeon

so obvious that it is revolting even to our proletariat"), a vast bureaucracy to herd the working classes into conformity:

Dovetailing in with this machinery of compulsion is all that mass of registration and docketing which is accumulating through the use of labor exchanges. ... No man, once so registered, can escape. ... The numbers caught in the net must steadily increase until the whole mass of labor is mapped out and controlled.

That was the servile state. Other writers would come up with different names for it—*The Road to Serfdom*, *Our Enemy the State*, *Atlas Shrugged*—but in essence the argument was the same. Sturdy independence would give way to rational planning. The age of the clipboard had arrived.

To be sure, the book is of its time and place. *The Servile State* was written in response to the "New Liberalism" of the early 20th century when Britain's government took upon itself to provide sickness and unemployment insurance, labor exchanges, wage control, regulation of the working day, old age pensions, free school meals for poor children, and the like. That "progressive" agenda is not so bad, you might say, and was, in any case, fairly modest in 1912. Have we not moved on? Most of us are happy enough to receive our Social Security checks, our annual vacation, our unemployment benefit if things go wrong. Out-and-out libertarianism remains a minority view (and Belloc,

lover of guilds and family life, was hardly a libertarian in the manner of Ayn Rand). The world he described as nightmare strikes many nowadays as dream.

That, of course, is the whole point. The pocket-money state is pleasant enough for a while, positively appealing in fact, just as long as Dad pays and you're happy to remain a schoolboy for the rest of your life. Otherwise it has all the disadvantages of safety nets and security blankets: namely, entanglement and suffocation. To live in it, you must forget that welfarism creates a client-patron mentality that is almost impossible to shake; forget that it discovers its

ation was not invented by Obama. Nor paternalistic federalism. Nor economic compulsion. Nor transactional politics. Nor grandiose rhetoric. Nor almost limitless confidence in the competence of Washington, D.C. to solve problems largely of its own making. It was Bush who promised to leave no child behind, Nixon who proposed to freeze wages and prices, Ford who vowed to Whip Inflation Now, Johnson who puffed up the Great Society, FDR who built dams and fixed prices and packed courts until, eventually, even his friends had had enough. Presidential hubris is as old as the hills.

## **THE OBAMA VIEW OF THE WORLD IS ONE IN WHICH THE BIGGER THE STATE, THE BIGGER THE SCOPE FOR EXPERTS LIKE HIMSELF TO TELL US WHAT TO DO.**

limits only when it teeters toward bankruptcy; forget that it destroys initiative; forget that it despises the Burkean platonians; forget that it hijacks the law to favor one class over another, "stamping with the authority of the state," as Belloc puts it, the division of citizens into "the economically free and economically enslaved"; forget that compulsion is its *modus operandi*; forget that its chief ambition is to constrain "a considerable number of families and individuals ... to labor for the advantage of other families and individuals." You must forget all of those things—and when you have done so you will have become precisely what the welfare state wants you to be: its grateful slave. "It was not machinery that cost us our freedom," Belloc wrote. "It was the loss of a free mind." The greatest achievement of collectivism is the collectivist mentality. That was what worried Belloc most of all.

To be fair, none of this is especially new. *The Servile State* anticipated an America that came into being long before January 2009. Redistributive tax-

What makes Obama different, and Belloc so prescient about him, is that he wants to do all of these things, and more, at one and the same time. The urge toward centralization has become the uncontrollable itch that refuses to go away. Here is a president who wants to be Car Manufacturer-in-Chief, Owner of Banks, Setter of Executive Compensation, Healthcare Provider at Large, Scold of Big Business, Payer (with your money) of Other People's Mortgages, First Responder in a Crisis ("first" loosely defined to mean "last"), Preacher of a New Politics, Healer of the Planet.

All his instincts tend toward expansion, growth, enlargement—of the state, that is, and not, so far, of the economy. All his training disposes him to prefer public virtue to private greed. All his stock villains live in the usual places—boardrooms, Wall Street, country clubs. The government will provide because, after all, has it not provided for him rather nicely for the last 20 years? Without too much exaggeration, the Obama

view of the world is one in which the bigger the state, the bigger the scope for experts like himself to tell us what to do. "Always keep a hold of nurse/For fear of getting someone worse." He is nurse and worse rolled into one.

Healthcare, of course, is exhibit one. When Belloc warned of the "compulsory provision of security through state action," of men and women being "compelled to enter [schemes] providing ... against ... illness and unemployment" he could hardly have known that, a century on, the United States Congress would boast of such an thing, passing a bill that forces people to buy a product they might otherwise have chosen not to buy and requiring employers to find health coverage for employees somehow incapable of finding it for themselves.

There are good arguments for thinking this unconstitutional. There are very good arguments for thinking it illiberal. There are excellent arguments for thinking it infantile. There are insuperable arguments for thinking it ruinously expensive.

"Our legal machinery," Belloc wrote, "has become little more than an engine for protecting the few owners against the necessities, the demands, or the hatred of the mass of their dispossessed fellow citizens. ... The vast bulk of so-called free contracts [are] arrangements which one man was free to take or to leave but which the other man was not free to take or leave because the second had for his alternative starvation." Substitute "no medical coverage" for "starvation," and you have Obamacare in a nutshell. Compulsion is at its core. Employers will be made to answer to the secretary of health and human services for the healthcare they offer their employees. Employees will be allowed to buy any plan they wish—as long as the federal government wishes it, too. Doctors will find themselves prescribing

and Washington proscribing. The result, we are told, will be a healthier and happier citizenry, free of fear, financially secure, cared for from cradle to grave. Obama has indeed made history. No one before him has ever campaigned in poetry and governed in Prozac.

The point, of course, is that regulation is not the accidental outcome of the exercise but is, rather, its whole purpose. Universalism is the goal, not healthcare per se. That is why the bill is strikingly complex yet also hostile to genuine choice, the complexity allowing bureaucrats to have a field day, the limitation on choice a way of encouraging that virtuous egalitarianism and uncomplaining collectivism that is the hallmark of every servile state. We will learn to love the line and the ration book. We will become patient patients. We will refuse, as the British say, to jump the queue. Conformity has been the most significant social outcome of Britain's 60-year experiment in National Health, and if the president has his way, that will be America's experience, too.

## OBAMA HAS INDEED MADE HISTORY. NO ONE BEFORE HIM HAS EVER CAMPAIGNED IN POETRY AND GOVERNED IN PROZAC.

Nor are these goals hidden. To the contrary, they reveal themselves at every turn, suggesting the sheer ambition of Obama-ism and the unbounded confidence that his social engineering, given enough time, will surely succeed. Any bill that allows children up to the age of 26 to remain on their parents' insurance plan is both infantilizing and intrusive, a way of perpetuating adolescence while allowing some higher body to interfere, quite unwarrantedly, in family life. Any bill that requires "families and individuals . . . by positive law to labor for the advantage of others" (Belloc's definition of servility) expands

the redistributive role of government as it shrinks, inevitably, the self-regulatory capacity of citizens. Any bill that proposes to find \$1.2 trillion over the next ten years to pay for new entitlements piles a burden of debt on one group while showering another with "rights" and enforceable legal claims. (Much of the bounty will come from taxes on the dividend and interest income of couples earning more than \$250,000 a year and single people earning more than \$200,000. Then, those proving insufficient, it will come from taxes on "boutique" health plans. Then, those too falling short, it will come from sin taxes. Then, those failing of their purpose, the Treasury secretary will ask Greece for help.)

To cap it all, the greatest cheerleaders for reform have been, unsurprisingly, those insurance companies now guaranteed, by federal law, a vast new tranche of customers for a product that many, until now, have been reluctant to buy. Could that explain the keenness of those companies to support Democra-

tic lawmakers as the bill made its way through Congress? Could that account for lobbyists pouring money into every possible Pelosi-shaped funnel? Could that be the reason for what Belloc called "all the commissions, all the champagne lunches, all the lawyers' fees, all the compensations to this man and to that man, all the bribes"? Yes, *The Servile State* predicted K Street, too. There is hardly a trick that Belloc had not once seen for himself. There is nothing new under the sun.

Should we therefore despair? Have we sunk so far in dependency that we cannot imagine a world without it? The

growth of government under Obama is certainly a cautionary tale:

Physicians of the Utmost Fame  
Were called at once; but when they  
came  
They answered, as they took their  
fees,  
'There is no Cure for this Disease.'

But there is a cure for this disease. Belloc ended his book with the cautious hope that statism would in due time be "halted and reversed." A "complex knot of forces" would eventually insist on a return to sanity. Common sense would finally prevail. It hasn't happened yet—rather the opposite—but Belloc's proposed solution is as valid as ever. The prescription for poverty is property. The answer to servility is self-reliance. The way to dismantle bureaucracy is, well, to dismantle it. All it takes is that first step.

That is why we should re-read *The Servile State*. Men stand on their own feet, Chesterton once wrote, when they stand on their own land. Belloc, offering a similar insight, suggests a similar remedy—that once we have recovered the use of our minds, we will begin to work for ourselves and our families and our neighbors and, only then, will we feel some bond of affection for this thing called the state. No one imagines we should all become small farmers. No one supposes every federal action is foolish. No one wants modernity to go away. But certain habits of heart are cultivated when we tend those little plots of which Belloc wrote so beautifully. The first is honesty. The second is humility. The third is gratitude. The fourth is grace. Have you seen much of them from Washington recently? I didn't think so. ■

*Dermot Quinn is professor of History at Seton Hall University and formerly a fellow of the James Madison Program at Princeton University.*



# When Red States Get Blue

What's the matter with Connecticut?

By Patrick J. Deneen

In *What's the Matter With Kansas?* Thomas Frank sought to explain why blue-collar voters abandoned their long-time home in the Democratic Party of Franklin Roosevelt for the Republican Party of Ronald Reagan. Frank complained that they had been deceived into voting their class resentments rather than their economic interests. Relying on “wedge” social issues such as abortion, welfare, and guns, Republicans persuaded heartland voters that the Democratic Party was run by liberals who detested family values and regarded the people who held them as backward. Voters in the poorest parts of America thus came to support a GOP whose words evoked traditional morality but whose policies mainly benefited Wall Street.

Whatever the virtues of Frank's explanation, there can be no doubt that this shift has occurred. But an equally dramatic change has come to the Blue States of the Northeast, once Republican bastions turned solidly Democratic. Highly educated and affluent voters whose parents or grandparents were stalwarts of the GOP now seemingly vote against their own economic interests by favoring Democratic candidates.

Connecticut—nicknamed the “land of steady habits” in recognition of its erstwhile traditionalism—is, per capita, the richest state in the nation. The bedroom of the country's financier class, it is home to some of our wealthiest towns and most prestigious blue-blood educational institutions, including Yale, Choate, and Loomis Chaffee.

Between 1860 and 1988, Connecticut

voted for Republicans in 22 out of 29 presidential elections, with the seven exceptions occurring mostly during the Depression and the Civil Rights era. But since 1992, Connecticut has consistently voted for Democratic presidential candidates. Ideology appears to have surpassed economic interest among these voters, who now embrace the prospect of higher taxes and more government regulation of the financial activities by which so many Nutmegers collect enviable bonuses.

If Thomas Frank could argue that Kansans are caught in the throes of false consciousness thanks to Republican electoral machinations, wouldn't it stand to reason that Connecticut barons should be pulling those strings? Frank's analysis would seemingly require that Connecticut vote Republican. Since the opposite is true, a more plausible argument is needed to explain what's the matter with Kansas—and Connecticut as well.

The best guide on this subject remains the work of historian Christopher Lasch, especially his exploration of the rise of the meritocracy in the title essay of his posthumous book, *The Revolt of the Elites and the Betrayal of Democracy*. There Lasch excoriated the new meritocratic class, a group that had achieved success through the upward-mobility of education and career and that increasingly came to be defined by rootlessness, cosmopolitanism, a thin sense of obligation, and diminishing reservoirs of patriotism. The meritocracy had all but replaced the old aristocracy of the sort embodied by a Connecticut man like Prescott Bush, on the one

hand substituting talent for privilege, but on the other hand replacing older forms of *noblesse oblige* with self-congratulation. Lasch argued that this new class “retained many of the vices of aristocracy without its virtues,” lacking the sense of “reciprocal obligation” that had been a feature of the old order.

Toward the end of the 20th century, this class of “meritocrats” began to concentrate. This was a key finding of a series of books published in the early 2000s by Richard Florida. If the old aristocracy was dispersed throughout the country—residing in the nicer parts in any given city or town—the new meritocracy, called by Florida the “Creative Class,” fled smaller towns and settled in a relative few attractive urban settings. These cities, according to Florida, cater to the Creative Class with liberal lifestyle offerings such as a “teeming blend of cafes, sidewalk musicians, and small galleries and bistros, where it is hard to draw the line between participant and observer, or between creativity and its creators.”

Florida celebrates the accomplishments of this class, and more, the dispositions that draw them together and define the sorts of places where they gather. In particular, he notes three “T's” that characterize “Creative Cities”: talent, toleration, and technology. Members of the Creative Class are drawn to such locations as “BosWash,” Silicon Valley, Seattle, and Austin for the high density of other members of the Creative Class; for their toleration of lifestyle choices including (and perhaps especially) sexual openness; and their highly

developed technological infrastructures, as well as industries that create or employ cutting-edge technologies. Needless to say, these concentrated centers of meritocrats are drawn to progressive political programs, often providing key electoral and financial support for liberal candidates in Blue States.

Not until 2009, with the publication of Bill Bishop's *The Big Sort*, did data become available that more adequately reveals what's the matter with Connecticut. What Bishop found, in combining data used by Richard Florida with the kind of data that had been employed by Robert Putnam in *Bowling Alone*, was that a key difference between "Creative Class" cities and the rest of the country was a remarkable gap in what Putnam called "social capital." While Creative Class locations are successful in generating financial and creative capital, they are comparatively poorer in social capital. Bishop discovered that people living in non-Creative Class settings enjoyed "the comfort of strong families, bustling civic groups, near universal political participation, and abundant volunteering." Creative Class cities, by contrast, "had fewer volunteers, lower church attendance, and weaker family connections." Among other attractions for the Creative Class were "anonymity, the opportunity for self-invention, and the economic benefits of loose ties."

Far from being subject to false consciousness by supporting liberal political candidates, members of the meritocratic class are acting in a rational and deliberate fashion. Because of the sorting that has taken place, locales with large Creative Class concentrations are far less likely to engage in activities that would call upon deep reservoirs of social capital. Inclined toward individualism and a devotion to personal expression and development, and committed especially to success in their careers, members of the meritocracy rely not on each other

for assistance and support, but rather expect the government to fill in the abandoned civic sphere. Thus their decision to support liberal politicians is a classic case of recognizing opportunity costs: rather than generating their own social capital, which would detract from their careers and their lifestyle experimentation, they are willing to use relatively ample economic resources to get someone else to do the job.

This also assuages guilt. The old aristocracy lived among people who could not hope to attain similar status and felt some obligation to provide for their assistance. American history is rife with examples of socialites advancing causes such as poor relief, better education, even efforts to squelch alcoholism through the Temperance movement. In many cases, it was wives of the wealthy who took on such social causes, free to move in the civil sphere and not yet obligated—or "liberated"—to pursue careers. But as the new meritocracy has congregated together and intermarried, it has left behind the losers of the talent sweepstakes, dividing the nation not only into Red and Blue but perceived winners and losers. The question becomes, whose responsibility is it to help the losers?

Members of the meritocracy are well aware of whom they have left behind, and rather than assuming the personal obligation of old to those less fortunate, they elect instead to pay an impersonal middleman—government—to deal with the aftereffects of what Wendell Berry has called the "strip-mining" of talent from every town and hamlet in the world. At the same time, they demand that everyone else pay up as well—what would have been personal forms of responsibility have instead been spread to the entire population, including those they purport to succor. As Christopher Lasch wrote, "obligation, like everything else, has been depersonalized; exercised through the agency of the state, the

burden of supporting it falls not on the professional and managerial class but, disproportionately, on the lower-middle and working class."

If the denizens of Connecticut are acting reasonably in supporting liberal politicians, so are Kansans in opposing them. They inchoately recognize that expanding government is a desideratum of the Creative Class, not of those left behind. Theirs is a new kind of class resentment, ironically one in which the "revolutionary" class supports conservative policy and the "aristocracy" advances a global liberalism. Further, they vaguely perceive that their own taxes end up enabling the bad habits of the meritocrat class. And even as citizens of Red States enjoy substantial federal largesse, they are at least surrounded by enough residual social capital to recognize that there is a better way. Theirs is a deep resentment born not of status envy but of a disgust that arises from allowing the irresponsible to buy off their bad consciences.

In other words, Connecticut and Kansas really are voting their interests, economic and otherwise. But Kansas needs to quit giving Connecticut a free pass: rather than framing the fight over issues in the "culture wars"—as important as those may be—Kansas needs to stop allowing Connecticut to pay a middleman to assuage its guilt. The best way is to connect explicitly the massive inequalities fostered by the new meritocratic arrangements that Connecticut enjoys with the bleeding-heart claims of its own purported liberalism and thereby—like the prophets of old—call them to account. ■

---

*Patrick J. Deneen is the Tsakopoulos-Kounalakis Associate Professor of Government at Georgetown University, where he is Founding Director of the Tocqueville Forum on the Roots of American Democracy.*

# Prole Tax

Tea Partiers revolt, but government still wins.

By John Derbyshire

"IF THERE IS HOPE, it lies in the proles," confided Winston Smith to his diary in George Orwell's *Nineteen Eighty-Four*. This turned out to be an optimistic illusion. The low-class proles, the most intelligent or charismatic of them marked down for elimination by the Thought Police, stood no chance against the smart managerial elites of the Inner Party. Easily bamboozled and whipped into a war frenzy, their coarse senses sated by pornographic entertainments, the proles of Orwell's fictional Oceania had no prospect of anything but, as an Inner Party member explains to Winston, "a boot stamping on a human face—forever."

Present-day Oceania—or, as we say, "the West"—isn't nearly as brutish as Orwell's dark vision. We have open meritocracies in which intelligent prole youngsters, far from being liquidated, are welcomed into the upper classes. Nor are those upper classes a tightly organized Inner Party ruthlessly dedicated to self-preservation. They are only a loose—though increasingly endogamous—stratum, a sort of free-range Inner Party. They do have a common ideology, to be sure, but it is comparatively rational and humane, as state ideologies go, rooted in Enlightenment universalism and disgust at the excesses of industrial-age nationalism, colonialism, and racism.

The Republican Party of today nonetheless displays a shadowy resemblance to Orwell's dystopia. Listening to conservative intellectual acquaintances gushing over the Tea Party movement, I hear Winston Smith's diary entry murmured in the background: "If there is hope, it lies in the proles."

Is there hope for conservatism? And if there is, does it lie in the proles? In the present political configuration, that would mean the Tea Partiers, most of whom belong to the petty bourgeoisie of private-sector worker bees, retirees, and small businessfolk. Do they stand a chance against the alliance of bureaucratic overclass and tax-consuming underclass?

The possibility that they do was raised following the June 8 "mini-Super Tuesday" primaries. The star was Sharron Angle, who won the Republican primary for Harry Reid's Senate seat in Nevada. Angle has promoted a raft of positions guaranteed to get conservative hearts a-thumping: abolition of the Department of Education, withdrawal from the UN, privatization of Social Security, skepticism about climate change, and so on. With Tea Party support she handily trounced establishment Republican Sue Lowden, who had the endorsements of Rush Limbaugh and Sean Hannity.

This was a heady triumph, especially since it came so soon after other primary victories against GOP establishment candidates, such as Rand Paul's win in the Kentucky Senate race. Even where the news was bad on mini-Super Tuesday, it had bright spots. California victors Carly Fiorina and Meg Whitman, overclass Republicans both, made grudgingly positive noises about enforcing immigration law, a position well outside the establishment consensus but popular among Tea Partiers. Nobody imagines that either candidate would lift a finger to make good on her restrictionist rhetoric, but that Fiorina and Whit-

man felt obliged to make suitable noises is encouraging evidence for the effect of prole pressure.

But looking at what military strategists call "the correlation of forces," optimism is hard to sustain.

Foremost among the forces opposing any advance of conservatism is the tenacity with which the legal-academic liberal component of the overclass controls the discourse. Rand Paul found out about this in his famous exchange with Rachel Maddow concerning Title II of the 1964 Civil Rights Act, which outlaws discrimination in "public accommodations engaged in interstate commerce," interpreted by the courts to mean every small-town bar, diner, and lemonade stand. There are good and interesting arguments to be made here, pro and con, but they lie outside the zone of overclass-approved discourse. In attempting to make them in a public medium, Paul exposed himself to accusations of eccentricity—or worse, of harboring unkind thoughts about colored people.

Sharron Angle will not likely fall into that trap. She is not an intellectual libertarian keen to elucidate knotty points of political philosophy. There are libertarian strands in her rhetoric, but they are of the more folksy Western sort, deftly plaited with religious traditionalism.

Yet there are other traps. "This is going to be like Scott Brown in Massachusetts," said Amy Kremer, a Tea Party organizer working for Angle. She seemed oblivious to the irony in her words. Brown's January triumph, seizing Teddy Kennedy's old Senate seat, had been inspirational to many conservatives. The bloom came off

the rose in late February when Brown was one of five GOP senators to vote cloture on Obama's "jobs bill." "Without leaning a bit to the left he is not likely to be elected to a second term," explained *The Economist*. What could be more important than getting a second term? Conservative principle? Ha!

Brown could serve as a poster boy for the genteel "reform conservatism" promoted by columnists David Brooks and David Frum. Their program is one of Bush-era militarism abroad combined with "sensible" conservatism at home—curtailing affirmative action, attrition of illegal immigrant numbers, etc.—garnished with some social-democratic sprinkles: prison reform, conservation, "improved education." How many Scott Browns will the grassroots Right elect for every Sharron Angle?

The Tea Partiers themselves seem to be losing support. A *Washington Post* poll circulated among GOP policy wonks showed favorable-unfavorable views of the Tea Partiers moving from 41-39 percent on March 26 to 36-50 on June 6. This might be a transient reaction to the oil spill—a public desire for effective government action translating somehow into disdain for Tea Party smaller-government fiscal restraint.

But it might also be erosion caused by the steady drip of scorn for the Tea Party movement coming from overclass news organs and commentators on both sides of the partisan spectrum. For the Left, the Tea Partiers' emphasis on fiscal limits is a dagger at the heart of liberals' permanent project of increasing federal power via taxation, regulation, litigation, and the multiplication of welfare-state client groups through mass immigration. The establishment Right, too, has reason to undermine grassroots populists: to the GOP's insider class, the Tea Partiers and their demands for budgetary discipline—not "compassionate" or "heroic" conservatism—represent an impertinent

repudiation of the Bush presidency.

Bush Republicans, with their dreams of democratizing the globe and outspending liberals at home, are still a big box on the correlation-of-forces diagram. The spending extravaganzas, counterproductive wars, multiculturalist debasement of bank lending, and ensuing fiscal collapse have done nothing to dent their confidence. Just pick up a copy of Newt Gingrich's recent book, which is brimful of exuberance.

Can they bring the Tea Partiers into the establishment fold? I bet they can—but it will be a Pyrrhic victory. Even if Republican moderates and modernizers retain control of the party, the momentum of events will pull the entire country in the direction of retrenchment. For one thing, the fiscal restraint being urged by the Tea Partiers is no longer one policy option among many. Bush Republicans, and even Democrats, will have to retool their policies for the straitened economic circumstances we are heading into. State bankruptcies, a withering dollar, market stagnation, and entitlement rolls swollen with retiring Boomers will drive all parties to frugality.

The differences between Republican factions then dwindle, and accommodation becomes easier. If big spending is impossible, there can be no big-spending wing. Even the picayune social-democratic nostrums of the reform cons may prove beyond our means. The future shape of the intra-Republican conflict depends on how bad things get. What are we looking at here? A decade of bumping along the bottom? A gradual slide down to some post-Perón Argentinian level of governmental dysfunction? Sudden, total systemic collapse?

We shall get the Tea Partiers' fiscal restraint *nolens volens*. The spending ambitions of future administrations, Republican or Democrat, will be restrained by force of circumstances. Yet it by no means follows that we shall

get smaller government. Battleships, bailouts, and Medicare enhancements are mighty expensive. Attorneys, regulators, judges, and diplomats are relatively cheap. How these servants of the state are used—how aggressively, under what guiding philosophy—is at least as determinative for the liberty of citizens as numbers on the nation's balance sheet.

Power is never given up willingly. Compelled to spend less, and then even less, on a downward-sloping graph, administrations of either party as currently constituted would show tremendous ingenuity at maintaining and strengthening their grip on our lives. Certainly a Democratic administration would find ways to impose more social control through legal, regulatory, and tax bossiness. A Republican administration might do the same, in a spirit of reform-con-style meddling and the professional politician's desire always to be seen doing something. They might even find a way to continue the war against evil on the cheap, via more battlefield automation and proxy armies.

Some libertarians and hard-right conservatives subscribe to a kind of millennialism: soon, they dream, the contradictions inherent in the statist system—its demographic pressures and out-of-control fiat currency—will bring the whole thing crashing down. Then the proles will inherit the earth, and freedom will prevail by default. But there is another, likelier possibility: consider what happened to Rome or the British Empire once they passed the point where they were "too big to fail." Whether the Inner Party maintains its grip on the nation even as it loses the world or the rule of law itself falls to barbarism, some boot will continue stamping on the human face. ■

*John Derbyshire is a contributing editor of National Review and the author, most recently, of We are Doomed: Reclaiming Conservative Pessimism.*



# Paper Dragon

Are we overestimating China's superpower strength?

By E. Wayne Merry

CHINA IS MOVING inevitably toward first place in global affairs, ending America's role as top dog. Or so I am told in print and in person, sometimes by those who told me the same thing about Japan two decades ago. I recall a conversation in the immediate aftermath of the Soviet collapse in which I was lectured that if the United States did not immediately institute a Japanese-style system of government-directed industrial policy, "this county will be finished." This, mind you, at the onset of Japan's economic "lost decade."

Skepticism is justified about straight-line projections of China's rise, as it was about Japan's. For years I endured blather from many Western leftists (and more than a few on the Right) about the Soviet Union's inevitable triumph. Indeed, I am old enough to recall when it was Germany (then West Germany) that America must emulate or face the scrapheap of history. Fortunately, my first macroeconomic theory professor had taught me that straight-line projections are always wrong.

A key problem with doom forecasts is that they employ single-entry bookkeeping; they look only at another country's assets and not its liabilities. If one considers General Motors without its debt service, pension, and healthcare obligations, it is doing fine—but what investor would be such a fool?

A bit of angst is perhaps a healthy counterpoise to the famous American tendency to braggadocio, manifest not so long ago in post-Cold War unipolar triumphal posturing. But we tend to

overdo the end-of-American-power hand-wringing, which is as false as underestimating potential adversaries. Former military colleagues reserved scorn for a class of intelligence officers they called "threat inflators." These could portray a single new Russian submarine as justification for a new class of subs on our side. Where today is the threat worthy of inflation? Only China fits the bill.

For years, the USSR embodied our worst fears—though after six years of service at the Moscow Embassy, including extensive travel around the Soviet Union, the wonder to me was that the Soviet system lasted as long as it did. Ronald Reagan only got it two-thirds right. Evil, check. Imperial, check. But the key factor in the Soviet collapse was irrationality. The Soviet system was structured to make people behave contrary to their rational self-interests. The "new Soviet man" had to violate the norms of the system every day in order to survive. The contradictions were pervasive and understood by everyone. The system was structured on lies. When people began to speak the truth openly, the jig was up.

One feature in China's favor is the comparative realism of Beijing's leaders. The Chinese are a deeply proud people, and rightly so. But Chinese elites—both in public statements and in closed meetings—are remarkably candid about their country's shortcomings. They note that two-thirds of China's people live below the UN poverty line, and many still live below the UN extreme poverty

line. This actually represents a stupendous achievement because, under Mao, most of the country was in the extreme poverty category. The fact remains that in GDP per capita, China is not in the top 100 countries of the world.

Chinese leaders like to remind their Western guests that every resource there is divided by 1.3 billion and every problem multiplied by the same figure. With China, a bunch of zeros at the end of every statistic tends to obscure the question, what is being counted here? For example, that China (or India) produces so many engineers says nothing. So did the Soviet Union. Many of the degree-holders are little more than mechanics, and in any case, a country with 170 cities of over a million inhabitants needs a lot of engineers just to keep things functioning. In contrast, assessments by Chinese universities themselves of where they stand in global rankings are strikingly modest.

Both Soviet and Chinese regimes spent decades at war with their peasants. Collectivization was a central failure of both Stalinist and Maoist policy, killing untold millions with a destructive legacy enduring to this day. In China, peasants were at the forefront of early post-Mao reforms, but today are often treated by many officials as little better than human fuel for economic development and exploitation.

China's leaders are clearly worried about the potential for mass unrest among the peasantry, historically the weak spot of the Chinese state. The current effort to improve village life

depends on broad economic growth, but it is inherently fragile. Witness recurrent scandals of illegal expropriation of peasant land, shoddy construction of village schools, and lack of due process for “the masses.” In addition, rural China must itself pay for local education, health-care, and support of the elderly—the big-ticket items for rectifying some of the imbalance of rural and urban life.

Both countries also declared war on nature in vast state-run projects that defied the realities of climate or topography. Most people know of the destruction of the Aral Sea, but it represents only a particularly visible example of the waste and loss inflicted by Soviet central planning. China today is drinking its northern rivers dry and building a vast infrastructure to shift water from south to north, ignoring the fact the water has vital purposes to serve in the south. If even the more benign predictions of Asian glacier loss prove valid, China’s south may become a region of water scarcity rather than surplus just as the diversion schemes come fully on line. In many countries the pursuit of heroic materialism under a socialist banner has proven a prescription for waste and mismanagement on a grand scale. China has yet to outgrow this psychosis, compounding its horrendous poisoning of land, air, water, and hence people.

In manufacturing, the Soviet centrally planned system was so bad it spawned things like a secondary market in used lightbulbs. To get a new bulb, you had to turn in a used one, thus creating an unofficial trade in burned-out bulbs. Twenty years on, Russia still manufactures little the outside world wants to buy except weapons (and it has pretty much lost its Chinese customer in this field), while ordinary people prefer secondhand Japanese autos to brand-new Russian output.

China, by contrast, is the world’s workshop, with huge export surpluses

and increasing market dominance in many products. But the success of China’s export industries should not blind us to the vast state-run industrial sector with all the shortcomings of politically mandated investment and output. Exploitation of labor is rampant in both state and private sectors. Even the “free market” sector is indirectly run by government at various levels, with regional and local officials the most pernicious. Chinese exports often reflect the final assembly of parts imported from other Asian producers with more genuine market systems and value added. While China is certainly a competitive economy in many ways, it is too soon to characterize it as an open, rule-of-law, contracts-based economy. State-sponsored or crony-capitalist might be more accurate terms.

In one area, the Chinese have apparently learned from the Soviet example. The Soviet Union became a garrison state that consumed in peacetime the resources a country normally commits to the military only in war. Soviet military budgets were not even driven by competition with the United States or NATO. Production lines for tanks and aircraft often fulfilled a Sorcerer’s Apprentice plan of output for its own sake. China is impressively modernizing and expanding its military capabilities, but is doing so at levels that reflect a growing peacetime economy rather than begging that economy to satiate the military.

In education, the comparison is mixed. The Soviet Union produced top-quality human talent in many fields, but tended to wall itself off from intellectual developments elsewhere. Even today, a degree from a foreign institution can be a career killer in some Russian professions. In contrast, upwardly mobile Chinese see foreign degrees as the key to advancement. A recognition that the outside world has much to teach is a

*sine qua non* of Chinese development policy. At the same time, the paucity of education resources in the countryside forecloses opportunities for most young people because they happen to live on the land. The new elites of China have created a *nomenklatura* system that favors their own offspring over those from other origins, regardless of talent.

Of all Washington’s Cold War blind spots, none was more opaque than the pervasive refusal to recognize the demographic trends that ultimately would reduce Russia to a comparative second-class power. The good thing about demographics is they give insight into the near future: you can know how many males of conscription age there will be over the next 18 years. Sadly, policymakers tend not to like demographics, preferring “hard” issues of the here and now. There was also a tendency in Washington to dismiss indications of Soviet population weakness as incompatible with a felt need for the Cold War adversary to be strong and growing ever more dangerous. In my experience, those who recognized the twin crises of Soviet health and demographics were intellectually prepared for the failure of the system, while those who did not were not.

China’s demographics are not at all like Russia’s, but are equally important for the country’s future. There is a key similarity: population trends in both countries are the result of government policies. In China, the one-child policy instituted under Mao has inflicted huge societal costs, especially on rural families where male children are central to continuance of the family line, maintenance of property rights, and support for the elderly. (A married female must support her in-laws, not her own parents.) The policy has killed untold infant females and produced tens of millions of excess males, who will never marry and hence be a long-term disruptive force in society.

But the key demographic factor is China's shifting age structure. In recent decades, China has been in a demographic sweet spot in which the working-age population was unusually large and dependents (young or old) comparatively few. This facilitated China's impressive economic growth and development. But while there were only 16 elderly for every 100 working-age adults in 2005, there will be 32 by 2025 and 61 by 2050. This constitutes one of the steepest and most rapid aging patterns anywhere. China's life expectancy is also improving to developed world levels, so the vast number of elderly will live long lives even as the working-age population shrinks.

China's leadership recognizes these realities. Indeed, demographics are at the heart of China's policy "to grow rich before it grows old." Yet as China grows old, it will do so at income levels comparable to the countries of Southeast Asia rather than to Japan or South Korea. A future China may have the largest GDP in the world, but still be comparatively poor, a mixture of developed and developing countries within one state.

Above all, Russia—in its Soviet and post-Soviet iterations—and China are control systems. While personal freedoms in both societies currently exceed the fantasies of those who lived under Stalin or Mao, political freedoms are few and closely monitored. If the Chinese elites learned anything from the Soviet collapse, it is the need to remain vigilant in defense of their power and privileges. In this regard, China's rulers are perhaps no more Communist than Russia's, but reflect historical Chinese elite condescension toward the masses, belief in a top-down direction of society, and fear that disorder can swiftly descend to chaos. Some observers believe China could face the kind of sys-

*Continued on page 49*

**One of the world's most powerful and wealthiest men, Saudi Arabia's former ambassador to the U.S., Prince Bandar bin Sultan, has been placed under arrest** and is being held at the top-secret Dhaban prison in Jidda, Saudi Arabia. Prince Bandar headed the Saudi government's National Security Council after his service as ambassador and his key role interacting with the George W. Bush administration. According to intelligence sources, Bandar arranged a sweetheart business contract with British arms suppliers, who promised him a hidden commission of \$100 million to be paid in euros. Officials were willing to let that slide, but in following up on some leads, Saudi intelligence developed information that Prince Bandar was planning to use the money to recruit several leading generals to overthrow King Abd'allah bin Sau'd. An investigation has resulted in the arrest of some 30 Saudi senior officers, including several attached to the royal court. All are imprisoned at Dhaban, where Prince Bandar has reportedly confessed to his plot.

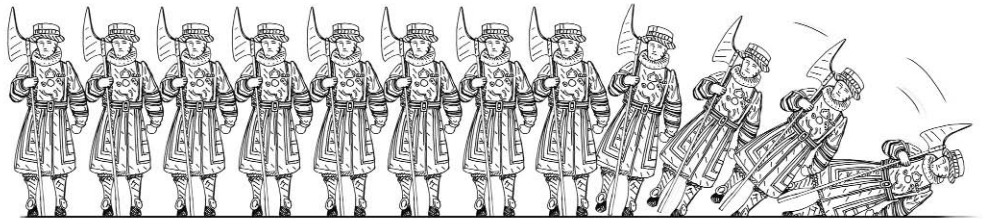
Bandar's father, Crown Prince Sultan bin Abd'al Aziz, who is terminally ill with cancer, has disowned his son. Prince Bandar has told interrogators that the royal succession, from one son to another son of founder King Abd'al Aziz Sau'd, should be ended as the advanced ages of the surviving sons will lead to a power vacuum and disaster for the country. King Abd'allah is 86, and Prince Sultan is 82.

To avoid a major scandal, Bandar will be held under house arrest in luxurious circumstances in perpetuity. The king also decided, in agreement with his brothers, to defuse the age issue by moving on to the third generation of the succession, naming 51-year-old Prince Muhammad bin Nayif as the new crown prince, but without a public announcement. Bin Nayif is a deputy interior minister and the architect of the country's counterterrorism policy. He narrowly escaped an assassination attempt one year ago.



**A recently declassified report by the General Accounting Office has confirmed that a Pennsylvania plant illegally shipped a minimum of 206 pounds of uranium to Israel** in 1965, enough fuel to create five nuclear weapons. Acting under direction from Lyndon Johnson's White House, the FBI initially declined to investigate the disappearance of the weapons-grade material from the Nuclear Materials and Equipment Corp. (NUMEC) in Apollo, Pennsylvania. The report does not actually conclude that the White House connived at the theft, but government insiders have long believed that LBJ deliberately chose to ignore the lost uranium with the understanding that it had ended up in Israel as part of a weapons program. The uranium-235 would have jump-started Israeli weapons development because it can sustain the fission chain reaction of a nuclear explosion without further concentration. The Department of Energy initially sold the nuclear material to NUMEC for research purposes. NUMEC subsequently claimed that the uranium was "lost" during processing. Energy Department inspectors later determined that the total amount of missing uranium considerably exceeded 206 pounds, with a 590-pound loss reported prior to 1968 and 170 pounds in subsequent years—enough to produce between 20 and 30 bombs.

*Philip Giraldi, a former CIA Officer, is a fellow with the American Conservative Defense Alliance.*



## The Troubles I've Seen

I was in the *Sunday Telegraph* offices in London's Docklands when, at a minute past 7 on the night of Feb. 9, 1996, the IRA detonated a 1,000-pound bomb

in South Quay, a couple of hundred yards from where I was sitting. The bomb made a hellish noise. You could feel the thud in your guts. Behind me our news editor threw himself to the floor, and I did the same. Most of our colleagues, however, rushed to the windows to see what had happened. There was nothing to see: just a black void. It was very quiet.

The elevators were immediately shut down, and the staff of the *Sunday Telegraph* and its sister daily paper left the building by the emergency staircase. As we walked down the 13 floors, we talked excitedly and laughed. Once outside the building, a distinguished member of the staff was seen striding about in his camel-hair coat, back straight, chin thrust forward, seizing female members of the staff by the shoulders and kissing them on each cheek.

Two young men were killed in the blast—Inan Bashir, a Muslim, and John Jeffries. They ran a newsagent's shop in South Quay. I used to buy chocolate and licorice there and liked the two men, Bashir especially. He had a ready, slightly shy smile. He had no quarrel with the Irish or with anyone else, though I imagine that, if pressed, he would have confessed to having sympathies with the Republicans. His body was mutilated almost beyond recognition.

Eventually a man named James McArdle was convicted of conspiracy to cause explosions and sentenced to 25 years in prison. He was released in June 2000 under the terms of the Good Friday

(Peace) Agreement of 1998. The agreement was the one great achievement of Tony Blair's premiership. The amnesty for IRA men was an essential part of that agreement. The only way forward was to call it quits.

I recall that crime now because of another crime, 24 years earlier, in Derry, on Jan. 30, 1972. On that Bloody Sunday, 27 unarmed civil-rights protesters were shot by soldiers from 1st Battalion, the Parachute Regiment. Thirteen were killed.

On June 15, the Saville Inquiry into Bloody Sunday published its findings. It found that all those killed were unarmed and that paratroopers had lost control and opened fire without warning. Some of their victims had been trying to flee when they were hit.

In the House of Commons, Prime Minister David Cameron said, "What happened on Bloody Sunday was both unjustified and unjustifiable. It was wrong. The government is ultimately responsible for the conduct of the Armed Forces. And for that, on behalf of the government—and indeed our country—I am deeply sorry."

The prime minister's handsome apology reflects great credit on him. The Saville Inquiry, on the other hand, reflects little credit on anyone. It was always intended, say Unionists, as a sop to the Republicans. It sat for 12 years, considered 30 million words of evidence, and cost taxpayers £191 million, more than half of which went to legal fees. No one seriously disputes its findings, and indeed for many years now most Britons

have believed that Bloody Sunday was a bloody crime. But it was a crime that has to be seen in the context of the Troubles and of the subsequent peace process that brought freedom to unrepentant IRA gunmen.

The cruelest and most persistent killers in Northern Ireland during the Troubles were the IRA. Of the 3,526 people who lost their lives between 1969 and 2001, 2,057 were killed by Republican terrorists, 1,019 by Protestants, and 362 by the security forces, who themselves lost more than 500. The Saville Report ought now to bring closure to a brutal and ugly chapter in British history.

But will it? The Irish have long memories. As military historian Max Hastings observed, "No nation on Earth possesses a talent for promoting its grievances to match that of the Irish. Bloody Sunday is cherished in the Republican pantheon as the foremost symbol of British oppression."

Max is right. I am not a Unionist. I am a Catholic of part-Irish extraction. I believe that the Catholics in Northern Ireland had a just cause. Yet if the families of the men killed on Bloody Sunday do not move on, I may find my sympathies tested. Their loved ones were not the only innocent victims. Inan Bashir and John Jeffries are dead. An amnesty has been declared in the case of IRA men who planned and carried out cold-blooded murder in Ireland and on the mainland, and oceans of tears have been shed for the victims of British "brutality." But brutal British soldiers are people, too, and justice requires that an amnesty should be declared in the case of the young soldiers, now old men, who 38 years ago lost control. ■



# How to Lose an Empire

America goes Ottoman shopping.

By Eamonn Fingleton

Here's an economic history test:

1. Which Great Power pioneered the secular trend towards freer international trade?
2. Which Great Power first resorted to spiraling foreign indebtedness to pay for its wars?
3. Which Great Power first permitted large-scale foreign direct investment in its domestic industries and infrastructure?

If you guessed such latter-day globalizers as the United States or Britain, you flunked. The correct answer in each case is the Ottoman Empire.

During much of its existence of more than six centuries, the empire arguably ranked as the world's top power, but this did not stop its eventual collapse in 1922-23. For anyone concerned about America's future, the implications are thought-provoking. Indeed, in many ways America's current trajectory seems like a speeded-up version of the Ottoman movie.

Although the Ottomans were never as rabidly ideological in their trade views as the editorial board of the *Wall Street Journal*, they diverged sharply from the systematic mercantilism that marked the rise of Europe in early modern times. Their import tariffs were relatively low, and Ottoman policymakers took a "don't worry, be happy" view of the empire's rising trade deficits in the mid-19th century. In so doing, they eerily anticipated similar insouciance in Washington in the last three decades.

Of course, the analogy should not be pushed too far. Trade was not the only factor in the empire's ultimate fate. A particularly problematic political culture bears much blame. Although the Ottoman sultanate functioned much like the monarchies of early modern Europe, there was one important difference: the Ottomans did not believe in primogeniture. After a reigning sultan passed on, it was not just brother against brother but brother against half-brother, with various mothers and other female partisans pulling strings from behind the harem curtains.

The process by which Selim I succeeded in 1512 was especially memorable. He felt it necessary to kill not only all his brothers but all their sons. Nothing if not thorough, he went on to grease the skids for Suleiman, the ablest of his own sons, by killing the latter's four brothers. Selim was to become known to history as Selim the Excellent and his son as Suleiman the Magnificent. So much for Ottoman civilization at its apogee.

As the years went by, the more blood-curdling aspects of the Ottoman political tradition were reined in, but even as late as the mid-19th century, the empire's administration remained unaccountably and, far too often, capriciously, authoritarian. Meanwhile, the lack of a primogeniture tradition proved a stumbling block in a different way: by retarding industrial development. In Europe, a company founder typically bequeathed his business in its entirety to his eldest son, but successful Ottoman

businessmen often divided up their businesses among many heirs. Whatever else might be said about the European practice, it was more conducive to the emergence of massive, often globe-spanning, corporations.

Such nuances aside, several aspects of the Ottoman approach to economics seem highly relevant to recent American experience.

By the early 1840s, the Sublime Porte, as the Ottoman government in Istanbul had become known, had signed what amounted to one-way free-trade agreements with several of the European powers. It renounced its right to levy anything more than nominal tariffs on imports, yet secured no similarly favorable treatment for its own exports in return. The parallel with Washington's post-World War II trade diplomacy in East Asia is hard to miss.

The agreements set in stone the Ottomans' longstanding import-friendly tradition. Timing was crucial: the Ottomans contrived to have their hands tied just as international trade was moving decisively to the fore as a determinant of a nation's economic performance. Previously, in an era of craft industries and generally prohibitive transportation costs, trade had played a minor role, particularly in the case of larger nations. By the 1840s, the Industrial Revolution and the concomitant development of more efficient transportation methods had transformed manufacturing economics: suddenly economies of scale assumed a mission-critical role. Thus those nations that

contrived, by hook or by crook (not least by skillful or coercive trade diplomacy), to find the largest possible markets for their industrial products enjoyed a distinct advantage. Such nations notably included Britain, which notwithstanding its later Pauline conversion to free trade deployed intelligently conceived protectionist methods to jump-start new industries in the most dynamic phase of its rise in the first half of the 19th century.

Ottoman officials discovered too late that they had painted themselves into a corner. As cut-price imports flooded in from Europe's increasingly efficient new factories, the empire was prohibited from using high tariffs to build its infant industries. For the first time in its history, the empire's trade plunged deeply into the red. The situation deteriorated so rapidly that by 1854, the Sublime Porte was forced to seek help abroad in the form of a loan raised in London.

It was the first foreign loan in the empire's history, but soon foreign borrowing became a way of life. Then, with its bargaining position severely weakened by chronically poor trade performance, the empire was pressured in 1881 into handing over almost complete control of its remaining tariffs to European officials. European investors were granted a major role in running Ottoman industries, most notably tobacco, and developing railroads and other modern infrastructure. Basically the Sublime Porte had lost control of its destiny.

Trade apart, the empire's outsize military expenses hastened the outcome. Indeed, seen from the vantage point of the 21st century, the empire's history seems to have consisted of little more than war. And it was the need to finance its participation in the Crimean War—which broke out in 1853 and is widely considered the first modern war—that proved the last straw in forcing a resort to the London financial markets.

The parallel with the United States is hard to miss: after all, since the 1930s, there has been only one decade—the 1980s—in which the United States has not been involved in at least one significant war. Except for World War II, moreover, these wars have seemed at best only tenuously connected to America's vital interests. Worse, they have tended gratuitously to undermine the nation's economic fundamentals.

By comparison, the Ottomans at least seemed to have had some reason to go to war. In entering the Crimean War, for instance, the empire was responding to a Russian attack on its territory.

What is clear is that military activities constituted an increasingly onerous burden for the Ottomans from the 1850s onward. As documented by Murat Birdal, author of a new book on late-era Ottoman finances, military needs were behind major foreign issues of bonds in 1877, 1888, 1896, 1905, 1913, and 1914. Meanwhile, other bond issues were constantly required merely to repay debt incurred in funding earlier military activities.

Again the parallels with America's recent history are striking: a key reason Washington has become increasingly indebted to Japan, China, and Germany in the last 30 years has, of course, been the financial burden of defending a vast quasi-empire at a time when the export industries have faltered.

Perhaps the most egregious parallel between Istanbul then and Washington today is in the treatment of exporters. Far from encouraging them, the Ottoman Empire seemed to go out of its way to hobble them with special tariffs on exports. Of course, such tariffs had been a common feature of the tax systems of many nations in preindustrial times. (They had the virtue of being relatively easy to collect.) But they had been abandoned by more enlightened governments as the Indus-

trial Revolution began. In the Ottoman Empire, by contrast, they continued to be levied for nearly a century longer. Ottoman officials did not come to appreciate the full implications until the empire had fallen far behind the European powers in industrial prowess.

As for the United States, there may be no special taxes on exports these days, but, all but overlooked by most observers, the U.S. tax system nonetheless contains a hidden and quite marked anti-export bias. As economic commentator Pat Choate pointed out in his 2009 book, *Saving Capitalism: Keeping America Strong*, this stems from the fact that while most other advanced nations have abandoned sales taxes in favor of a value-added tax, sales taxes persist as a central pillar of U.S. taxation. The interaction between the two systems puts American manufacturers, and particularly those who export, at a significant disadvantage. This reflects the fact that, whereas in VAT systems, manufacturers are granted rebates on exports—this is legal under World Trade Organization rules—no similar break is available under a sales-tax system. The effect is that American exports contain a “baked-in” element of sales taxes that, particularly in the case of price-sensitive products, can be a decisive disadvantage in global competition.

So much for the parallels between the Ottoman Empire and the United States. Now for a difference: the speed of financial implosion. This has been astoundingly faster in America's case. After all, it seems only yesterday that the United States bestrode the world as the greatest creditor nation in history. With hardly a second thought, the U.S. government not only found the money—entirely internally, of course—to fund the massive rearmament program that won World War II, but afterward advanced

huge sums to jump-start other major nations' postwar recoveries. Thereafter, until well into the 1960s, the American economy remained so strong that the cost of maintaining a vast global network of military bases seemed readily manageable.

By the 1970s, however, the bloom was off the rose: a trade crisis in 1971-72 forced the United States off the gold standard, and the U.S. Treasury began to rely ever more heavily on foreign money to fund its deficits. A decade later—in the last years of the Reagan administration—the United States had become the largest debtor nation in history. And that was still in the good old days when American policymakers continued to harbor hopes of eventually stopping the rot. Since then, on the strength of catastrophic policy mistakes by Bush I, Bill Clinton, and Bush II, the situation has spun completely out of control.

Not to put too fine a point on it, we are probably witnessing the fastest economic implosion of a major nation in history. By comparison, the pace of Ottoman decline was gentle. As measured both by its geographical reach and its relative technological sophistication, the empire probably peaked as early as the latter half of the 16th century. For a long time thereafter, its decline remained almost imperceptible, not only to its own subjects but even to well-informed diplomatic observers. At least where military technology was concerned, the empire remained a first-rank power into the early decades of the 19th century. As late as 1829, it launched the *Mahmudiye*, which for many years held the record as the world's largest warship. The first indisputable indication that the empire was in trouble did not come until the 1854 decision to borrow abroad. This was more than 250 years after the empire had reached its apogee. The United States "accomplished" a sim-

ilarly melancholy transition from global leadership to overt financial dependency in little more than one-tenth the time.

Perhaps the most worrying aspect of America's situation is the extent to which U.S. export industries have become hollowed. One number sums up the problem: as of 2008, the last "normal" year before the global financial crisis distorted everything, the U.S. current account deficit came to 4.9 per-

cent of GDP, up from 1.9 percent in 1989. Although full figures are not available, it seems clear that the Ottoman Empire began incurring trade deficits on America's recent scale only in the final decade before its ultimate collapse. ■

*Eamonn Fingleton is the author of In the Jaws of the Dragon: America's Fate in the Coming Era of Chinese Dominance.*

"Freda Utley had some part in many of the grand and grim events of our time, and knew half the people worth knowing."

— Russell Kirk

"It would be impossible to count the lives she touched in England where she was born, in China, Japan, the Soviet Union and here in her adopted home, the U.S."

— Ronald Reagan

### Freda Utley's books on the web :

***The Dream We Lost***—life inside Stalin's Russia

***China at War***—front-line reporting on the war with Japan

***The High Cost of Vengeance***—the first critique of the Nuremberg trials and the U.S. occupation of Germany

***Japan's Feet of Clay***—Japan before World War II

***Will the Middle East Go West?***—when America was loved in the Muslim world

***The China Story***—how Washington helped the communist conquest of China

***Odyssey of a Liberal***—her autobiography

***From Vorkuta to Perm***—Jon Utley's report on his father's fate, with video documentary

**For Historians and Lovers of Freedom**

**FREDAUTLEY.COM**

# Arts & Letters

## BOOKS

[*Running Commentary: The Contentious Magazine That Transformed the Jewish Left Into the Neoconservative Right*, Benjamin Balint, PublicAffairs, 304 pages]

### Thought Leader

By Scott McConnell

ALREADY THE WORLD'S most studied group of writers since Bloomsbury, the neoconservatives aren't even close to passing into history. If one counts *Ex-Friends*, Norman Podhoretz has produced three memoirs. Add to that a score of sympathetic studies and an equal number of critical ones, and one wonders what more can be learned from a new history of *Commentary* magazine.

As Benjamin Balint's very readable book shows, quite a lot. A young former assistant editor at the magazine, Balint is a fellow at the neocon-friendly Hudson Institute and now lives in Jerusalem. Yet his book is neither apologia nor hagiography. It explores its subject with both real familiarity and a critical distance all the more refreshing for being unexpected.

There has been some recent controversy over whether to describe neoconservatism as, in the main, a Jewish phenomenon. It was fueled by some neoconservatives who charged that critics of the Iraq War were using the term

as a coded anti-Semitic slur. Eschewing such silliness, Balint situates the movement firmly in the stream of Jewish-American history.

That history was inseparable from *Commentary*, founded, housed, and supported by the American Jewish Committee for the purpose of providing "informed discussion on the basic issues of our time especially as they bear on the position and future of Jews in our country and in the world scene."

From its first issue in 1945, *Commentary* seemed ideally fitted to its time. It could tap a surge of new Jewish literary talent as the first college-educated generation had burst forth from the confines of the immigrant neighborhood, the Yiddish press, and Marxist sectarianism. Add to this a wave of refugee intellectuals from Hitler's Europe—probably the most concentrated stream of brainpower to settle on these shores—and there existed a can't-miss recipe for a vital magazine.

*Commentary's* first editor, Eliot Cohen, held one guiding restriction: the magazine would be staunchly anti-Communist. It gives a sense of the talent available to Cohen to note that during one early period, the magazine had Nathan Glazer and Irving Kristol as assistant editors, soon joined by Norman Podhoretz. Balint's account offers much evidence of how freewheeling and irreverent American Jewish intellectual life was during the '40s and the allegedly conformist '50s. For instance, in 1949, *Commentary* ran a satirical piece, "Adam and Eve on Delancey Street," by the young novelist Isaac Rosenfeld. He speculated that kosher food taboos against the mixture

of meat and dairy symbolically functioned as sex taboos, keeping Jews away from the unrestrained sexuality of the *goyim*. The piece provoked several "not since Julius Streicher"-type denunciations from prominent rabbis, and some tried to kill the magazine. But after an apology, Cohen and *Commentary* survived.

Zionism, too, was subjected to probing criticism. Even the limits of what the magazine would publish revealed a breadth of debate. When Norman Podhoretz assigned Hannah Arendt to explore Little Rock and school desegregation, she made the kind of argument that Rand Paul would find ill-tolerated 50 years later: the use of federal troops to enforce integration imperiled the Constitution. Podhoretz's superiors stepped in to spike the piece, prompting Podhoretz to claim that "it was dereliction of intellectual duty" not to run it and to resign in a huff. Remarkably enough, Arendt was able to publish her piece in the farther Left quarterly *Dissent*.

*Commentary's* trajectory after Podhoretz reappeared as the top editor in 1960 is better known: after a measured flirtation with writers of the prodromal New Left, *Commentary* shifted rightward in the late 1960s. By the 1970s, the magazine was engaged in full-scale war against "the movement" and the counterculture. By the late '70s, it was benefiting from the New Left's collapse: the Cambodian genocide, the Vietnamese boat people, and the Soviet invasion of Afghanistan brought in new refugees from '60s liberalism. Israel's 1973 war, in which the country desperately needed an American military airlift, had been a



turning point for many Jewish New Leftists. Podhoretz's magazine was there to welcome them.

And, of course, not only Jews. Daniel Patrick Moynihan, who seemed in the mid-1970s the most serious intellectual in American politics, wrote there, to his and the magazine's mutual benefit, as did James Q. Wilson, Robert W. Tucker, and Owen Harries.

Balint's illumination of some of the magazine's internal gears, especially the role of Neal Kozodoy, who worked as Podhoretz's right hand from the 1960s to 1995, when he took over as editor, is especially valuable.

Seemingly blocked as a writer, Kozodoy has often been described as self-effacing for his long career in Podhoretz's shadow. Few of those who knew him would attest to the description. For *Commentary's* younger contributors (those born after 1940 or so), Kozodoy was the self-confident voice of the magazine, the man who read their pitches, judged their submissions, and did the lion's share of the editing. Handsome in an understated 1950s sort of way, Kozodoy was almost certainly the only middle-aged neoconservative to attract beautiful young women.

His considerable erudition, grounded as a scholar of accomplishment in Jewish studies, was clothed in gruffness, making him an unusual mixture of earthy and intellectual. Balint captures this nicely in a vignette. At an editorial meeting, a title was being sought for a piece about interfaith dialogue. Senior editor Gabe Schoenfeld protested that the proposed "How Not to Conduct Interfaith Dialogue" didn't work. It implied that *Commentary* knew the proper way to conduct such dialogue. "We do," Kozodoy replied. "F--k you! No, f--k you! F--k me? F--k you."

To the author of one piece he had solicited, he eventually said, "Yes, we're going to run it." When the writer asked if he had liked it, Kozodoy replied, "What are you, needy?" But he had more than one tone: for many younger writers, he was tremendously encouraging. When you did well and heard back quickly on

the phone "Great! Just great!" it was worth far more than the modest sum you might eventually be paid. For a gentle, publishing in *Commentary* was a badge of intellectual and moral seriousness, one that could open as many doors in New York City as a Harvard degree might have done for a young Jew in Walter Lippmann's day.

By the end of the Cold War, many believed neoconservatism had run its course. Midge Decter's Committee for the Free World declared victory and disbanded. In *Commentary's* own pages, Norman Podhoretz proclaimed that neoconservatism was no longer distinct from the American mainstream variety—such had been its triumph. The one distinctive passion the magazine had was Israel, a topic it worked hammer and tongs from a Likudist perspective, opposing the Oslo Peace Accords and any effort to bring about a Palestinian state.

As mentioned above, *Commentary* had not always been dogmatically Zionist: in its early days, it had run such leading dovish intellectuals from Palestine as Uri Avnery. In 1946, Hannah Arendt assessed Theodor Herzl's legacy 50 years after the publication of *The Jewish State*. She found the Zionist idea flawed: there was no country to be had without displacing the original inhabitants, and such a state would not end anti-Semitism in the world. Four years later, Clement Greenberg wrote that if Jews could survive only by becoming aggressive nationalists, they would have lost justification for persisting as a group.

Anti-Zionism receded after Israel's founding, in the magazine and beyond. *Commentary* devoted little space to Israel before 1967. By the 1980s, however, Podhoretz could be counted on to slam critics of Israel as anti-Semitic. By the 1990s, advocacy for Israel and alarmist pieces about Iraq's supposed weapons of mass destruction were *Commentary's* staples.

To his credit, Balint treats the debates swirling about the magazine in the age of 9/11 with considerable dispassion. He claims it is a "canard" that

neocons cared more for Israel than the U.S., but quotes without sneering many of those who make the charge. In his epilogue, he adds this assessment from the late paleoconservative essayist Sam Francis: "What neoconservatives have done is to design an ideology ... that offers ostensible and plausible rationalizations for the perpetual war in which Israel and its agents of influence in the U.S. government and media seek to embroil the United States (and which all too many American conservatives, out of a foolishly misplaced patriotism, are eager to support) without explicitly invoking the needs and interests of Israel itself."

It is a damning indictment, on the mark in my estimation. And how rare is the *Commentary* editor who would present it for contemplation, not, of course, with an endorsement, but without insinuations about Father Coughlin reincarnated! Perhaps it is due to Balint's living in Israel, where debate has traditionally been much freer than in New York.

As for the rest, from Balint one receives a full and vivid sense of *Commentary's* achievement. Eliot Cohen and Neal Kozodoy were enormously successful editors. Norman Podhoretz—a talented and pugnacious ideologue with control of a nicely subsidized magazine—could well be counted the most influential American intellectual of the postwar era. *Commentary* has since been passed to Norman's son John, whom no one believes is of the same rank as his predecessors. But this may not really matter. Neoconservatism has made solid and probably irreversible inroads among most politically active and influential American Jews, for whom hawkishness and resolute Zionism (regardless of party affiliation) have become the default majority positions. That is an historical development with major global consequences, for which *Commentary's* editors deserve a great share of credit or blame. ■

---

*Scott McConnell is editor at large of The American Conservative.*

[*The Rational Optimist: How Prosperity Evolves*, Matt Ridley, Harper, 448 pages]

## Down on the Upside

By Brendan O'Neill

FOR THE VAST MAJORITY of human beings, life has never been better. We're healthier, longer-living, less exhausted, and more nutrient-packed than any of our ancestors. Yet there's an epidemic of pessimism. Barely a day goes by when we are not told that life was better in some distant, pastoral, pre-modern era, when men hunted for meat, women cooked it, and they spent the rest of their time banging drums and dancing around fires.

We're forever being informed that as a direct consequence of our creation of a comfortable, convenient society, the world will come to an end. The technology-frying Y2K bug didn't get us. Neither the avian flu nor swine flu outbreaks—which, we were warned, would spread like wildfire, thanks to the modern evils of manmade flight and globalization—killed anywhere near as many millions of people as the World Health Organization predicted. But climate change will surely finish us off. Brought about by our gluttonous exploitation of fossil fuels, designed to sustain our unsustainable lives of flying, city-building, and conspicuous consuming, the warming of the planet will be nature's ultimate revenge against what the granddaddy of modern environmentalism, James Lovelock, labeled a "serious planetary malady." That's us: human beings.

Why are we so down on the spectacular world we have created—and so convinced that it could all come crashing to earth at any minute? Why do so many influential thinkers, who are surrounded by the kind of luxuries previous generations could never have envisaged—running water, fresh fruit out of season,

constant light, telephones, mobile telephones—spend their days telling us how terrible everything is?

Matt Ridley, in his stirring new book *The Rational Optimist*, teases out the contradiction between our increasingly comfortable lives and the intellectual climate of deep, dark pessimism. With simplicity, clarity, and verve, he stands up for "the bright side of human endeavor" in a book that feels like an act of intellectual rebellion against the tyranny of misery gripping this young century.

Eschewing both the "don't worry, be happy" self-help approach and the angry, graph-obsessed nitpicking of climate-change skeptics (who can be just as annoying as climate-change alarmists), Ridley's "rational optimism" is based on an historical analysis of what is unique about human beings and why we have been able to improve our living standards so vastly. His contrast between how we live today and how people lived just a few decades ago should, by all rights, be enough to perk up even the most miserable of miserabilists. Yes, there's still poverty, he writes, especially in Africa, but overall "this generation of human

In just the past 50 years, the average human "earned nearly three times as much money (corrected for inflation), ate one-third more calories of food, buried one-third as many of her children, and could expect to live one-third longer."

Life expectancy—the surest measure that we are doing something right—has risen exponentially over the past 200 years. It was static for millennia. In classical Greece and Rome, average life expectancy was 28. In pre-Columbian North America, it was 25 to 30. In medieval Britain, it was 30. In the early 20th century, the global average life expectancy was 30 to 45. In the 1920s, Ridley points out, demographers confidently predicted that average life expectancy could never exceed 65 "without intervention of radical innovations or fantastic evolutionary change in our physiological make-up." To those demographers, the thought of millions or even billions of human beings, worker and wealthy man alike, living into their 70s and 80s was unthinkable. But it has happened—and then some. Today, life expectancy in Japan is 82.6. In Iceland, it is 81.8. In

SINCE 1800, THE **WORLD POPULATION OF HUMAN BEINGS HAS RISEN SIXFOLD**—FROM 1 BILLION TO **OVER 6 BILLION**—YET IN THE SAME PERIOD, AVERAGE LIFE EXPECTANCY HAS MORE THAN DOUBLED AND **AVERAGE REAL INCOME HAS RISEN NINEFOLD**.

beings has access to more calories, watts, lumen-hours, square feet, gigabytes, megahertz, light years, nanometers, bushels per acre, miles per gallon, food miles, air miles, and of course dollars than any that went before."

There are more people (or "mouths to feed," as the pessimists insultingly refer to us) than ever, yet we are better fed and healthier than ever, too. Since 1800, Ridley points out, the world population of human beings has risen sixfold—from 1 billion to over 6 billion—yet in the same period, average life expectancy has more than doubled and average real income has risen ninefold.

Spain, it is 80.9, in Britain, it is 79.4, and in the U.S., it is 78.2.

Yet such is the depth of pessimism today that even mankind's successful delaying of the Grim Reaper's visit is seen as a Bad Thing. It has led to an "aging crisis," we are told, or an "aging timebomb," whereby Western societies will soon be packed with sick, feeble old people who drain social and economic resources. This is a mean-spirited and inaccurate generalization, says Ridley. For example, one American study found that disability rates in people over 65 fell from 26.2 percent to 19.7 percent between 1982 and 1999. The risk of

cancer, heart disease, and respiratory disease still increases with age, but these illnesses now occur later in life—on average ten years later than they did in the 1950s—and they are not as necessarily fatal as they once were.

We are wealthier than ever before, too. “Stuff” might be a dirty word these days. Oprah Winfrey, billionaire, even talks about the disease of “stuff-itis.” But this stuff has made our lives more pleasant and fun. Even the poor have benefited. In 1958, when J.K. Galbraith wrote about “the affluent society,” he

the planet through our creation of this stuff that we’re all so desperate to get our grubby hands on. Ridley convincingly argues that both camps are wrong. With academic rigor, he picks apart the studies upon which the “affluenza” theories are based, with their small samples and contradictory findings, and cites larger, more thoroughly critical studies into wealth and happiness. He concludes, “All told, [there appears to be] an important relationship between economic growth and growth in subjective wellbeing.”

**AMONG AMERICANS OFFICIALLY DESIGNATED AS “POOR,” 99 PERCENT HAVE ELECTRICITY, RUNNING WATER, AND A FRIDGE; 95 PERCENT HAVE A TELEVISION; 71 PERCENT HAVE A CAR; AND 70 PERCENT HAVE AIR CONDITIONING.**

was mainly talking about the American middle classes with their cars, washing machines, maybe even TVs. Today, Ridley points out, among Americans officially designated as “poor,” 99 percent have electricity, running water, and a fridge; 95 percent have a television; 71 percent have a car; and 70 percent have air conditioning. Some people—usually well-off commentators, people like Oprah—scoff at the little guy’s desire for more and more stuff. Yet we underestimate how these things have improved human life. How much backbreaking female drudgery was wiped out by the invention of the washing machine? How many man-hours have been saved by the availability of cars for shopping, school-drops, and visiting relatives? How much healthier is our food, and longer-lasting, now that virtually everyone in the Western world has a refrigerator?

But, say the pessimists, these leaps forward have come at a high price: human happiness and environmental integrity. A “small cottage industry” of intellectuals now warns that increased wealth is making us sad and even sick, says Ridley. And today’s veritable army of green activists never tires of telling us that we have raped Gaia and polluted

In short, being better off does, generally speaking, make us happier. And, says Ridley, while the environment might be taking some serious body-blows in China right now, in the longer developed West, it is improving. “In Europe and America, rivers, lakes, seas, and the air are getting cleaner all the time. ... American carbon monoxide emissions from transport are down 75 per cent in twenty-five years.” And so on. The more developed a society is, the more resources can be devoted to cleaning up the environment. Once China and India reach the West’s level of development, the better their air and water quality will become.

But what about those developing nations and the not even remotely developing nations in Africa—life hasn’t improved very much for them, has it? In fact, says Ridley, there has been improvement—not enough, but improvement nonetheless. Even in urban China, “90 percent of people now have electric light, refrigerators, and running water.” Today, life expectancy in India is 69.89—still way too low for the liking of anyone who considers himself a humanist, but better than the brutish, desperately short lives that many Indians lived a century or two ago.

And Africa? Ridley admits that for the “rational optimist,” African poverty is an “acute challenge.” So, he says, is climate change. But contemporary pessimism, with its profound disdain for the gains of human history, is possibly the biggest barrier to facing these challenges and overcoming them. He passionately argues that while aid has brought some benefits to Africa, it cannot possibly “start or accelerate economic growth”—and what Africa really needs is “better living standards, and these come chiefly from economic growth.” Yet today’s intellectual outlook is so hostile to growth that few would dream of arguing for industrial revolutions and economic breakthroughs in Africa, even though those are the very things it needs if it is to become “more like us.” Likewise, the challenge of climate change requires more and better technology in order to offset those aspects of human behavior that have a polluting impact on the environment. Yet contemporary curmudgeons have a powerful anti-technology streak, which means that those wringing their hands over climate change are also likely to say dismiss techno-solutions.

Ridley’s important book shoots down the culture of doom that stands in such stark contrast to the generally optimistic arc of human history. Indeed, he posits that the biggest block to progress today might just be pessimism itself—the fashionable, self-indulgent, misanthropic mindset of the comfortable opinion-forming classes of the West. ■

*Brendan O’Neill is editor of spiked in London (www.spiked-online.com).*

**Visit our blog**

**@TAC**   
[www.amconmag.com/blog](http://www.amconmag.com/blog)

**updated daily**

[*In Pursuit of Silence: Listening for Meaning in a World of Noise*, George Prochnik, Doubleday, 352 pages]

## Sounds of Silence

By Peter Wood

SHORELINES, though never silent, are often quiet. Beneath the rumble of the surf, the lapping of wavelets, the keening of gulls, the whoosh of wind, is a quiet that we can hear perfectly well. Even if you add to the soundscape a cacophony of kids, a barking dog, and the whine of a motorboat, there's enough quiet in the ocean to cut the noise down to size.

The distinction between silence and quiet is pretty easy. Few people enjoy an utter absence of sound. In fact, most feel distress when deprived of low-level background noise. In extreme cases, as when a man is put into the total silence of a sensory deprivation chamber, the sounds of his own body become nightmarishly loud, and he is soon overcome with auditory hallucinations. True silence is also physically disorienting to those who suffer a sudden loss of hearing. The disappearance of ambient sound somehow makes the world impenetrable. We need quiet, not silence.

George Prochnik realizes this, but nonetheless titled his new book on the clamor of contemporary life *In Pursuit of Silence: Listening for Meaning in a World of Noise*. Prochnik, who lives in loud Brooklyn and works in louder Manhattan, is distressed by the urban roar that drowns out the particularity of small sounds. So he retreats, he tells us, to "pocket parks" in the city, where the Great Noisiness is kept at bay by splashing water, architectural nooks, and walls of enforced serenity. I tried one out last week, a few blocks from the clanking dungeon of the 50th Street subway station, and sure enough, it worked. The

city isn't blotted out, but its noise is transformed into the ocean beyond the dunes.

If the word "silence" in the title is a bit misleading, the word "pursuit" is dead on. Prochnik does just about everything but descend into his own crypt in search of his quarry. He visits the New Melleray Abbey near Dubuque, Iowa to hear the silence of Trappist monks in the depths of winter. He attends a Quaker meeting in Brooklyn to hear the Friends not speaking. He travels to a Dearborn, Michigan convention of noise control experts ("Noise-Con 2008") and chats up the soundproofers. He delves through the foghorn history of urban noise abatement activists, starting with the "Queen of Silence," Julia Barnett Rice, who in 1905 declared war on Hudson River tugboat captains who disturbed her rest in her Riverside Drive mansion by hooting to one another

HE RETREATS, HE TELLS US, TO "POCKET PARKS" IN THE CITY, WHERE **THE GREAT NOISINESS IS KEPT AT BAY** BY SPLASHING WATER, ARCHITECTURAL NOOKS, AND **WALLS OF ENFORCED SERENITY.**

through the night. Rice was tireless in her campaign. After her Society for the Suppression of Unnecessary Noises succeeded in gagging the tugboats, she moved on to dampening the noise around NYC hospitals—a brilliant tactic for her real goal of silencing the city's noisy children.

Rice herself, however, fell silent and the society was suppressed by an unlooked-for new source of auditory aggravation: motor vehicle traffic. As it happened, her husband Isaac, says Prochnik, was "reportedly the first private individual in New York City to own an automobile."

Thanks a lot, Isaac. Perhaps for their respective contributions to sporadic quiet and incessant noise we should dedicate to the husband and wife a special amped-up broadcast of the late Ronnie Dio, frontman for the heavy metal band Black Sabbath, singing "Heaven and Hell."

Isaac Rice as a pioneer of public loudness suits another side of Prochnik's quest, his effort to understand the aficionados of noise. That takes Prochnik to those antechambers of hell, the retail clothing stores that pump high-pressure noises among the racks of trendy threads. He visits "the sonic abyss" of Abercrombie & Fitch at a mall in Austin and at its flagship abyss on Fifth Avenue. Abercrombie & Fitch is perhaps best known for its semi-pornographic advertisements, and it turns out there is a connection between cavorting nudes and deafening din. Sound "at a truly punishing level" is (at least for some) hot, exciting, and sexy.

Prochnik is an excellent Virgil for this descent into the Inferno, not least because he takes us right to the perpetrators. In this case, he interviews Leanne Flask, an executive of DMX, the company that "designed" Abercrombie & Fitch's "store sound." DMX does

"acoustical branding" and Flask explains that the Abercrombie sound is "very uplifting" and meant to convey to the young shoppers, "I'm going to start my day in a club!" As she says this, Prochnik observes, "she adopted the expression of someone being ecstatically strangled."

Flask takes Prochnik to other circles of this inferno and explains that loudness isn't simply about sex. As they visit another trendy clothing store, The Limited, Prochnik registers the noise as "like Abercrombie & Fitch on a light Zolofit regimen." But Flask unpacks the store-specific meaning: "All the energy of the loudness makes you feel more energetic. ... It feels like excitement, and starts a whole reaction of people. There's a circuit of energy!"

Prochnik's willingness to travel upriver into the heart of loudness is commendable. Leaving the clothing stores behind, he ventures deeper into the Loud and the Louder—loud restaura-



rants, where the entrees are puréed by noise, and loud stadiums specially designed to amplify the uproar of the crowd. And then he reaches the Kurtzian heart of loudness, Explosive Sound and Video, the headquarters of Tommy, “who owns the loudest music-playing, driving vehicle in the world” and hosts competitions for “boom cars.”

These are those cars and trucks that have been customized into sonic assault weapons capable of cranking out 140 decibels and more. Prochnik quotes an audiologist who says that a single exposure to such sounds can cause permanent hearing loss. But boom-car enthusiasts are not deterred by little things like that. Tommy McKinnie’s truck, the Loch Ness Monster (“because you always hear stories about it, but you never see it”) can sound off in the 160+ decibel range for a whole minute.

The limiting factor is that at this level of loudness the vehicle itself begins to disintegrate. Boom-car hobbyists, for example, are used to replacing their sound-shattered windshields several times a year.

Prochnik’s previous book, *Putnam Camp*, described Sigmund Freud’s 1909 sojourn in the Adirondacks as a guest of Prochnik’s own grandfather, the psychologist James Jackson Putnam. It is a whimsical, erudite exploration of the intertwining of personalities, intellectual developments, and culture—a blend that he carries off in this new book, too. Prochnik has an excellent ear for good stories, but a book like this sits perilously close to the unlovely neighborhoods of whininess and precious self-regard. Should we really care that wheezing bus brakes and trucks rattling manhole covers disturb his Brooklyn repose? There are times when the reader wants Prochnik to man up and get over to the NASCAR track. A book that contains the sentence beginning, “I cherish the memory of the time I spent on a silent retreat at an ashram,” isn’t for everybody. Among his most cringe-inducing confessions is his account of trooping around Columbus Circle in New York with a group that practices

“spontaneous group meditation.” At a pre-arranged signal they “dropped into a sitting position on a street corner” and closed their eyes to listen to the din.

Prochnik writes as a self-declared “progressive,” and is warm in his sympathies for non-Western cultures and large-scale government interventions. Japanese tea gardens and European central planning to “map” urban noise appeal to him equally. He seems at times a bit credulous, as in reporting a tribe southwest of Khartoum with hearing so keen that individuals can “carry on a conversation in a soft voice with their backs turned” at a distance of a football field. One of his numerous threads is the science of hearing, and we get some details about such matters as the ratio of head width to the frequency of sound an animal can hear. Prochnik strains to integrate all this stuff but the book is, in its own quiet way, rather noisy.

So what is the cultural significance of all this? Have we become a culture of loudness and noise, and done so at the expense of our inner lives? Prochnik’s final analogy is to liken changing the way Americans hear to the campaign to change the way we eat. He calls for a movement to “educate” combined with a parallel operation to create “healthier” options. While I am with him on the point that we need more quiet in our lives, his policy answers aren’t much of a draw. Seize money from drug dealers and gunrunners, he proposes, and use it to “buy up a few dozen fast-food franchises that can be turned into contemporary quiet houses.” Build Zen gardens in community recreation centers. Give scholarships to kids to write essays in praise of silence. Host “Quiet Parties”—the loud capitals are his.

I’d like to say we need more quiet in our lives, but these proposals give me a brand new appreciation of boom-car rallies. There is something intrinsically loud about America that ought to remain that way. ■

*Peter Wood is president of the National Association of Scholars and author of A Bee in the Mouth: Anger in America Now.*

---

## Paper Dragon

*Continued from page 39*

temic failure we saw in the Soviet Union. I doubt this, but China does not exhibit the flexibility in its politics that it has shown in economics. The Chinese control system is rigid, and in a crisis rigidity can be either strong or brittle.

Perhaps the lesson we should draw from our Cold War rivalry with the Soviet Union is that it is pointless to gauge ourselves against the spectral standard of a potential adversary. America’s future depends on how we manage our own affairs—especially the entitlement mentality of “buy now, pay later”—rather than on what China does. We enjoy the healthiest demographics in the developed world plus the most vibrant innovation culture and a capacity to adapt to changing circumstances. The question is our priorities. Nothing coming out of Beijing has the ambition or hubris of the doctrines of American global hegemony advanced by both neo-conservatives and neoliberals. We need a greater realism in our foreign and security policies combined with a domestic focus on traditional virtues of public thrift and personal initiative.

The previous century witnessed the end of a Eurocentric world order and the shift of global gravity to America and Asia. The Soviet experiment endangered Russia’s continuance as a great nation by an obsessive pursuit of great-power status. This century will likely be defined by the relationship between the world’s oldest great nation and its youngest. China and America are very different and we face different challenges. We are both great nations, great states, and great powers. We will become adversaries only by choice and blunder, not by inevitability. ■

---

*E. Wayne Merry, a former U.S. State Department and Pentagon official, is now a senior associate at the American Foreign Policy Council in Washington, D.C.*



## Up Against the Wall

In the fall of 1995, as my 105-year-old friend Henry W. Clune lay dying, America's oldest living novelist asked me to run my fingertip along the spines of his dozen or

so books, which occupied a shelf in his bedroom. (Henry was the usual Upstate authorial mix of vanity and self-deprecation.)

"Not bad," he grinned as my finger tickled his oeuvre. (I don't usually tickle oeuvres, but in this case I made an exception.)

Henry was born in the mild morn before the storm clouds of empire rolled in. He admitted to wearing a "Remember the Maine" button in 1898, but hey, he was just a kid. When I was 8, I cried when Hubert "[Vietnam] is our great adventure—and a wonderful one it is!" Humphrey lost to Richard Nixon.

Henry passed a few mercifully quiet hours on the front during World War I, from which he emerged an admirer of the Socialist Eugene V. Debs. The noble Debs, a patriot of Terre Haute, Indiana, spent almost three years in a federal prison for a Hall of Fame-worthy 1918 speech in which he told an audience in Canton, Ohio, "you are fit for something better than slavery and cannon fodder." (Priggish despot Woodrow Wilson refused to release Debs after the war; that act of justice was left to a far better man, the peaceful Warren G. Harding, whose paper-boy in Marion, Ohio, Norman Thomas, would succeed Debs as America's leading Socialist.)

Things got bad, and things got worse—I guess you know the tune.

The War Party called the Peace Party Nazis in 1941, Communists in 1951, Soviet dupes in 1961, dirty hippies in

1971 ... must I go on? In 2011, those who heed George Washington's counsel to seek "peace and harmony with all" will be called mullah-headed appeasers of Irano-fascism.

We live in an age in which one is free to view pornography that would make de Sade wince and gore that would make Leatherface retch, yet we have less "free speech," as the Founders would have conceived it, than ever before. The range of permissible political opinions has narrowed to encompass the rat-hair's breadth separating Mitt Romney from Joe Lieberman, and woe betide the straggler who wanders away from the cage.

Blame war. Blame TV. Blame the nationalization of political discourse, as regional variations and individual peculiarities are washed away by the generic slime of poli-talk shows. Radicals—even naïve Tea Partiers or idealistic left-wing kids—are dehumanized in ways unthinkable when America was a free country. No one was barred from the conversation back when there was a conversation. No dispatch ever read, "Wingnut Henry David Thoreau today issued a manifesto from his compound near Walden Pond..."

Which reminds me: I have a book due out in July—*Bye Bye, Miss American Empire*, my typical mélange of Little American history, tendentious journalism, and bad puns, this time about breaking up our national and state leviathans into more manageable pieces. In the 1970s—ah, golden youth—a book wondering if we need

both more states (Upper New York, Southern California, Jefferson) and fewer states (aloha, Hawaii and Alaska—maybe Vermont, too) would have been greeted with "Wow, man, that's kinda interesting," but my opus-cule will, I expect, be treated as though I am advocating the colonization of Neptune.

The squeezing out even of establishment dissent—especially since 9/11—has left us with an antiwar movement so feeble it makes the Esperanto lobby look like the AARP. Enter the new organization Come Home, America, its name taken from the magnificent 1972 acceptance speech delivered by George McGovern in the last unscripted Democratic convention.

Discussed in recent issues of this magazine, Come Home, America is based on the now decidedly radical premise that young men and women belong home, with their families and in their communities, rather than fighting needless wars on the other side of the globe. I am a small part of what I hope will become a chorus of patriotic dissent ringing from Main Street and Copperhead Road and Martin Luther King Boulevard, from farm and church and coffeehouse.

"We should be together," as Grace Slick and Jefferson Airplane sang. Henry W. Clune agreed. As rock-ribbed a Republican as ever dressed for dinner at the club, Henry published in the Rochester newspaper a blistering attack on the Vietnam War as immoral. He read Marquand and Cozzens, not Marcuse and Hoffman, but even as a proud bourgeois elder he took his stand with the shaggy kids in the streets.

As Grace Slick also sang, "Tear down the walls." ■



# 1921 MORGAN SILVER DOLLARS



## GOLD & SILVER ARE UNBEATABLE AS "CRISIS" MONEY

WHY YOUR GOLDEN YEARS COULD BE YOUR BLACKEST YEARS

### 1921 MORGAN SILVER DOLLARS



**FREE WITH  
EVERY ORDER  
A BRAND NEW  
SPECIAL REPORT  
Double Your Social  
Security Benefits**

### \$5 GOLD INDIANS



**\$25 Each • \$500/roll**  
EXTREMELY FINE CONDITION • LIMIT 50 ROLLS

**Order With Personal Check & Save \$1 Per Coin**  
Order 5 Rolls, Get Free Shipping & 2011 Free Red Book



Clients who took our advice last year are doing well — as you can see from the graph below— our recommendation was right on the money!

With the bailouts you need to pay for and the hyperinflation that lies ahead your golden years are fix-in to be your blackest years. Wake

up! This financial hurricane is rolling straight at you and all of America. Look at Greece! This is just the beginning of a European financial Armageddon. How stupid must Greece be to think you can fix financial collapse and bankruptcy with more debt? The Bail Out Program has its own Special Prosecutor for all the fraud the government expects. They build the fraud into the numbers! Can you run your life like that? Of course not! Americans are being eaten alive just like a cancer by the hidden tax known as inflation. America's financial future will be a nightmare for awhile—what you don't want is to wake up screaming during this nightmare with no plan or protection in place. Because friend, when a tornado strikes it strikes with a vengeance, this is a financial tornado. Are you ready? If not, you better get ready and order all the silver and gold you can handle. Inflation will punish America!

Obama is making sure you outlive your money because he has every plan he can muster to relieve you of your money! Without owning silver & gold now you will run out of money on a real sad note. You worked all your life, protect your money now in silver and gold before it melts away like an ice cube in your hand.



**\$479 Each** LIMIT 50 COINS

**Order With Personal Check, Get FREE SHIPPING**

Order 10 Coins, Save \$5 Per Coin — Save \$50!

Order 20 Coins, Save \$10 Per Coin — Save \$200!

Get FREE 2011 RED BOOK With FREE SHIPPING

The threat of Hyper-inflation is as real as a heart attack and will continue to raise your cost of living every year. The retirement you planned for is gone if you don't do something about it right now! Silver & Gold can protect you! Call Now! The euro is doomed and a hard money lesson lies ahead.

Prudent responsible Americans that saved their money, paid their bills, and live within their means are outright punished by having to pay for Bail Outs. Hyperinflation will decimate your savings because you have to Bail Out irresponsible banks, and borrowers.

The Stock Market is primed for a super crash which will explode interest rates. Many Americans have to live the worst of the worst life shattering retirement nightmare, which is losing millions of dollars in market crashes, IRA & 401K meltdowns, schemes and scams.

There is nothing more solid than silver & gold. You will always have your silver & gold, unlike stocks that go to nothing. Silver & gold is safe secure hard money.

So the real question is, will you keep trusting Obama and his posse with your retirement? Will you be so foolish as to trust it to the Wall Street band of thieves? Call now and insure your money with silver & gold the only real dollar & stock market crash insurance.



**WITH FREE SHIPPING, YOU  
GET FREE RED BOOK**

**1-800-950-9000 (24/7) LIVE**  
**ORDER ONLINE AT [www.amgoldtrust.com](http://www.amgoldtrust.com)**

Prices subject to change based on gold and silver market prices.

**29 Years  
Experience  
Since 1982**

**AGT American Silver & Gold LLC**

**P.O. BOX 42316 • AUSTIN, TEXAS • 78704**

**Order With Confidence 24/7. 100% Satisfaction Guaranteed.**

Proud Supporter



**100% Unconditional, 7-Day  
No-Risk Money Back Guarantee.**  
Full refund if you are not completely  
satisfied with your order.



VISA

MasterCard

AMERICAN  
EXPRESS

DISCOVER  
NETWORK

**YOUR PERSONAL  
CHECK IS WELCOME**



# FDA Blunder and Coverup Kills Millions!

The UN's World Health Organization (WHO) has just recommended that drinking water contain 25-50 mg of magnesium per liter to prevent deaths from heart attack and stroke. [www.MgWater.com/download](http://www.MgWater.com/download) American bottled water averages <5 mg of magnesium (Mg) per liter, while bottled water in the rest of the world averages about 20 mg of magnesium per liter.

The FDA and the US Department of Justice (DOJ) caused the Mg-deficient-water problem by Un-Constitutionally destroying the American mineral water industry in the 1930's, in the mistaken belief that pure water was good, and that mineral water was just impure water. No other country has ever destroyed their mineral water industry.

For decades, the evidence has been overwhelming that Americans are very deficient in Mg, as evidenced by the 23% shortfall from the RDI, yet the FDA and DOJ have covered up their blunder, getting a Federal lawsuit dismissed before the evidence could be shown, and keeping silent about the millions of deaths indicated by over 50 epidemiological studies from nine countries. Recent studies clearly confirm that water-borne Mg is far, far better in preventing cardiovascular pathologies than food-borne Mg.

Epidemiological studies indicate that [millions of Americans have died](#) due to the FDA's and DOJ's destruction of the American mineral water industry. See:

[www.mgwater.com/anderson.shtml](http://www.mgwater.com/anderson.shtml)

[www.mgwater.com/finland.shtml](http://www.mgwater.com/finland.shtml)

[www.mgwater.com/lancet.shtml](http://www.mgwater.com/lancet.shtml)

[www.mgwater.com/singh.shtml](http://www.mgwater.com/singh.shtml)



Now, it is up to the FDA and DOJ to end this travesty, requiring the Mg content of bottled or canned beverages to be put in labels' nutrition panels, and requiring that all bottled or canned beverages contain at least 25 mg of Mg per liter. FDA and DOJ have ignored petitions and a lawsuit, continuing to kill Millions of Americans just to cover-up their blunder.

## Please write the UN's International Criminal Court asking them

to investigate this Crime Against Humanity in the United States. Please enclose a copy of this page to:

Office of the Prosecutor, International Criminal Court  
Mr. Luis Moreno-Ocampo, Chief Prosecutor  
Post Office Box 19519  
2500 CM The Hague, The Netherlands

Paid for by the Magnesium Online Library  
[www.MgWater.com](http://www.MgWater.com) (408) 897-3023

